

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

SECOND REGULAR SESSION-1996

Legislative Document

No. 1722

H.P. 1253

House of Representatives, January 18, 1996

An Act to Develop the Maine Public Health Improvement Plan.

Reported by Representative FITZPATRICK for the Maine Health Care Reform Commission pursuant to Public Law 1993, chapter 707, Part AA, section 5.

Reference to the Joint Standing Committee on Human Resources suggested and printing ordered under Joint Rule 20.

A handwritten signature in black ink that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Be it enacted by the People of the State of Maine as follows:

PART A

Sec. A-1. 22 MRSA §§253-A and 253-B are enacted to read:

§253-A. Maine Public Health Improvement Plan

The department shall develop the Maine Public Health Improvement Plan, to be known in this chapter as "the plan," for the State. The plan must include an assessment of the State's capacity to appropriately carry out the following core functions of public health: health assessment; health policy development; and the assurance that health policy is being properly carried out. The plan must identify any deficiencies in these core functions and propose actions that may be taken to correct those deficiencies.

The plan must include:

1. Standards. Minimum standards for the protection and promotion of public health through health assessment, the development of health policy and the assurance that those policies are being carried out;

2. Strategies. Recommended strategies, including a time schedule, for improving public health through the correction of deficiencies in the core function areas.

3. Outcomes measurements. Outcomes measurements to be used to evaluate the success or failure of the plan; and

4. Recommendations. Recommendations for modifications in the level of dedicated funding for public health through the Maine Public Health Trust Fund and a description of the expected benefits or effects of modifications in that level of funding.

The department shall develop the plan in consultation with local health departments, representatives of area Indian health services, health service providers, other state agencies and citizens interested in public health.

The department shall present the plan to the Governor and the Legislature on or before July 1, 1997. The department shall update the plan for presentation to the Governor and the Legislature prior to the beginning of each new biennium, beginning July 1, 1999.

§253-B. Maine Public Health Trust Fund

2 The Maine Public Health Trust Fund, referred to in this
4 section as the "fund," is established to assist in financing
6 improvements in the public health. Deposits into the fund and
8 expenditures from the fund must be made pursuant to this section
 and to rules adopted by the department to carry out the purposes
 of this section. All income generated pursuant to this section
 must be deposited in the fund, which does not lapse but carries
 forward from one fiscal year to the next.

10 1. Payments to the fund. Beginning December 1, 1996, the
12 Treasurer of State shall transfer money representing the
 following amounts to the fund:

14 A. Thirty-one and one-half mills per cigarette from the tax
 levied pursuant to Title 36, section 4365;

16 B. Sixty-seven percent of the revenue from the tax levied
18 on smokeless tobacco pursuant to Title 36, section 4403,
 subsection 1; and

20 C. Sixty-seven percent of the revenue from the tax levied
22 on other tobacco products pursuant to Title 36, section
24 4403, subsection 2.

26 2. Expenditures from the fund. No expenditures may be made
28 from the fund until July 1, 1997 or until the department submits
 a plan to the Governor and the Legislature, as required in
 section 253-A. Expenditures from the fund are authorized for the
 following purposes.

30 A. The department may use a portion, not to exceed 35% of
32 the total funds projected to be available in any single
34 fiscal year, for personal services and all other expenses
 incurred in the administration of the Bureau of Health.

36 B. The department may use the balance of the funds
38 projected to be available in any single fiscal year to make
40 grants to communities for the support of local public health
42 improvement initiatives. These grants must be made in
44 accordance with the priorities, objectives and strategies
46 for public health improvement set forth in the plan
 developed by the department. The funding awarded through
 these grants may reflect the costs associated with the
 conduct of needs assessments, planning and implementation
48 assistance to be provided, as appropriate, by the
 department. The grants must be awarded in accordance with
 rules adopted by the department pursuant to the Maine
 Administrative Procedure Act.

2 The funds available in the fund do not supplant existing federal,
3 state and local funds for public health activities.

4
5 **PART B**

6 **Sec. B-1. 22 MRSA §3-D** is enacted to read:

8 **§3-D. Maine Center for Public Health Practice**

10 The department may establish a nonprofit corporation
11 pursuant to the Maine Nonprofit Corporation Act to be known as
12 the Maine Center for Public Health Practice and referred to in
13 this chapter as the "corporation." The purpose of the
14 corporation is to plan, promote and coordinate health services
15 research, training and policy efforts utilizing a consortium of
16 public and private organizations within the State including the
17 public university system. The corporation's research, evaluation
18 and demonstration efforts may include, but are not limited to,
19 the following:

21 1. The health of Maine's population. The cause, effects,
22 extent and nature of illness and disability among all or a
23 particular group of the people of this State;

25 2. The effects of ill health. The impact of personal
26 illness and disability on the economy of this State and the
27 well-being of all or a particular group of the people of this
28 State;

29 3. Health-related issues. Environmental, laboratory,
30 social and other health-related issues;

31 4. Health-related knowledge. The health-related knowledge
32 and practices of the people of this State;

33 5. Health resources. The quality and availability of
34 health resources in this State, including, but not limited to,
35 health care institutions and health professions;

36 6. Health behaviors. The determinants of health and
37 nutrition practices and status, including, but not limited to,
38 behaviors that are related to health;

39 7. Access to care. Access to and use of health care
40 services by all or a particular group of the people of this
41 State, including, but not limited to, the use of ambulatory
42 health care services. The access and use may be categorized by
43 specialty and type of practice of the health professional or
44 health facility providing the service; and

2 Payment of the tax imposed by this section must be made to
3 the State Tax Assessor before February 15, 1997, accompanied by
4 forms prescribed by the State Tax Assessor and credited to the
5 Maine Public Health Trust Fund.

6 **Sec. C-3. 36 MRSA §4403, sub-§§1 and 2,** as amended by PL 1989,
7 c. 588, Pt. D, §4, are further amended to read:

8
9 **1. Smokeless tobacco.** A tax is imposed on all smokeless
10 tobacco, including chewing tobacco and snuff, at the rate of 50%
11 of the wholesale sales price beginning October 1, 1989; 55% of
12 the wholesale sales price beginning January 1, 1991; and 62% of
13 the wholesale sales price beginning July 1, 1991; and 186% of the
14 wholesale sales price beginning December 1, 1996.

15 A person holding smokeless tobacco for resale is liable for the
16 difference between the tax rate of 186% of the wholesale sales
17 price and the tax rate of 62% of the wholesale sales price in
18 effect before December 1, 1996. Payment of the tax imposed by
19 this section must be made to the State Tax Assessor before
20 February 15, 1997, accompanied by forms prescribed by the State
21 Tax Assessor and credited to the Maine Public Health Trust Fund.

22
23 **2. Other tobacco.** A tax is imposed on cigars, pipe tobacco
24 and other tobacco intended for smoking at the rate of 13% of the
25 wholesale sales price beginning October 1, 1989; 14% of the
26 wholesale sales price beginning January 1, 1991; and 16% of the
27 wholesale sales price beginning July 1, 1991; and 48% of the
28 wholesale sales price beginning December 1, 1996.

29
30 A person holding cigars, pipe tobacco and other tobacco intended
31 for smoking for resale is liable for the difference between the
32 tax rate of 48% of the wholesale sales price and the tax rate of
33 16% of the wholesale sales price in effect before December 1,
34 1996. Payment of the tax imposed by this section must be made to
35 the State Tax Assessor before February 15, 1997, accompanied by
36 forms prescribed by the State Tax Assessor and credited to the
37 Maine Public Health Trust Fund.

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41 **STATEMENT OF FACT**

42
43 Part A requires the Department of Human Services to develop
44 the Maine Public Health Improvement Plan. This plan is an
45 assessment of the State's performance with respect to the core
46 functions of public health, which include health assessment, the
47 development of health policy and the assurance that health
48 policies are implemented, evaluated and refined as appropriate.
49 The plan also must include strategies to address any identified
50 deficiencies in the core function areas, the identification of

2 appropriate standards by which the impact of the plan may be
measured and recommendations regarding the level of future
4 funding required for the Maine Public Health Trust Fund.

6 The development of the plan is to be a public process
involving interested parties at the state and community levels.
8 The first plan is to be presented to the Governor and the
Legislature no later than July 1, 1997 and is to be updated every
10 2nd year thereafter.

12 Part A also establishes the Maine Public Health Trust Fund
to assist in financing necessary improvements in public health in
14 the State, as identified in the plan. The funds in this
dedicated revenue account may not lapse, nor are they to supplant
16 existing federal, state or local funding for public health
activities. Payments to the fund are derived from an increase in
18 the tax on cigarettes and other tobacco products. The department
is authorized to expend money from the fund after the department
20 has submitted the first plan to the Governor and the
Legislature. The department may expend up to 35% of the money
22 available in the fund for support of the ongoing operation of the
Bureau of Health, Maine's state-level public health agency. The
24 balance of available funds is to be used to make grants to
communities to support local public health improvement projects.
26 Awarding of these grants is to be carried out in accordance with
the priorities, objectives and strategies identified in the plan
and is to be carried out as public process.

28 Part B establishes the Maine Center for Public Health
30 Practice as a nonprofit corporation outside of State Government.
The purpose of the Maine Center for Public Health Practice is to
32 coordinate, plan and promote health services research, training
and policy initiatives through a consortium of public and private
34 organizations and programs.

36 Part C increases the tax imposed on cigarettes and other
tobacco products. The tax on cigarettes is increased from 18.5
38 mills per cigarette to 50.0 mills per cigarette. This equates to
an increase from 37¢ per pack of cigarettes to \$1 per pack. The
40 tax on smokeless tobacco is increased from 62% of the wholesale
sales price to 186% of the wholesale sales price. The tax on
42 other tobacco products is increased from 16% of the wholesale
sales price to 48% of the wholesale sales price. Each of these
44 tax increases is effective December 1, 1996. The revenue
generated by these tax increases is used to fund the Maine Public
46 Health Trust Fund described in Part A.