

**FUNDING FOR DEPARTMENT OF HEALTH**

**EARLY INTERVENTION PROGRAMS**

2007 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Stephen H. Urquhart**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill increases the beer excise tax and funds the Department of Health Childhood Early Intervention Program with the increased revenue.

**Highlighted Provisions:**

This bill:

- ▶ beginning July 1, 2007, increases the beer excise tax;
- ▶ creates a restricted account known as the "Childhood Early Intervention Health Account";
- ▶ deposits the revenue from the increased beer tax into the restricted account;
- ▶ appropriates money from the restricted account to the Department of Health for childhood early intervention programs; and
- ▶ requires an annual report from the Department of Health on the use of the money and success of the programs.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:



28 **59-15-101**, as last amended by Chapter 307, Laws of Utah 2003

29 **59-15-109**, as last amended by Chapter 5, Laws of Utah 2003, Second Special Session



31 *Be it enacted by the Legislature of the state of Utah:*

32 Section 1. Section **59-15-101** is amended to read:

33 **59-15-101. Tax basis -- Rate.**

34 (1) (a) A tax is imposed at the rate specified in Subsection (1)(b) on all beer, as defined  
35 in Section 32A-1-105, that is imported or manufactured for sale, use, or distribution in this  
36 state.

37 (b) The tax described in Subsection (1)(a) shall be imposed at a rate of:

38 [~~(i) \$11 per 31-gallon barrel for beer imported or manufactured;~~]

39 [~~(A) before July 1, 2003; and]~~

40 [~~(B) for sale, use, or distribution in this state; and]~~

41 [~~(i)~~] (i) \$12.80 per 31-gallon barrel for beer imported or manufactured:

42 (A) on or after July 1, 2003; and

43 (B) for sale, use, or distribution in this state~~[-];~~ and

44 (ii) \$16.11 per 31-gallon barrel for beer imported or manufactured:

45 (A) on or after July 1, 2007; and

46 (B) for sale, use, or distribution in this state.

47 (c) The tax imposed under this Subsection (1):

48 (i) shall be imposed at a proportionate rate for:

49 (A) any quantity of beer other than a 31-gallon barrel; or

50 (B) the fractional parts of a 31-gallon barrel; and

51 (ii) may not be imposed more than once on the same beer.

52 (2) A tax may not be imposed on beer:

53 (a) sold to the United States and its agencies; or

54 (b) (i) manufactured or imported for sale, use, or distribution outside the state; and

55 (ii) exported from the state.

56 Section 2. Section **59-15-109** is amended to read:

57 **59-15-109. Tax moneys to be paid to state treasurer.**

58 (1) Taxes collected under this chapter shall be paid by the commission to the state

59 treasurer daily for deposit as follows:

60 (a) for fiscal year 2003-04:

61 (i) \$2,525,666 shall be deposited into the Alcoholic Beverage Enforcement and  
62 Treatment Restricted Account created in Section 32A-1-115; and

63 (ii) the revenue collected in excess of \$2,525,666 shall be deposited into the General  
64 Fund;

65 (b) for fiscal year 2004-05:

66 (i) \$3,133,777 shall be deposited into the Alcoholic Beverage Enforcement and  
67 Treatment Restricted Account created in Section 32A-1-115; and

68 (ii) the revenue collected in excess of \$3,133,777 shall be deposited into the General  
69 Fund;

70 (c) for fiscal year 2005-06:

71 (i) \$3,741,888 shall be deposited into the Alcoholic Beverage Enforcement and  
72 Treatment Restricted Account created in Section 32A-1-115; and

73 (ii) the revenue collected in excess of \$3,741,888 shall be deposited into the General  
74 Fund;

75 (d) for fiscal year 2006-07:

76 (i) \$4,350,000 shall be deposited into the Alcoholic Beverage Enforcement and  
77 Treatment Restricted Account created in Section 32A-1-115; and

78 (ii) the revenue collected in excess of \$4,350,000 shall be deposited into the General  
79 Fund; and

80 (e) except as provided in Subsection (3), beginning with fiscal year 2007-08:

81 (i) the greater of the following shall be deposited into the Alcoholic Beverage  
82 Enforcement and Treatment Restricted Account created in Section 32A-1-115:

83 (A) 40% of the revenue collected for the fiscal year two years preceding the fiscal year  
84 for which the deposit is made; or

85 (B) \$4,350,000; and

86 (ii) the revenue collected in excess of the amount deposited in accordance with  
87 Subsection (1)(e)(i) shall be deposited into the General Fund.

88 (2) (a) Beginning with September 1, 2006, the commission shall notify the entities  
89 described in Subsection (2)(b) not later than the September 1 preceding the fiscal year of the

90 deposit of:

91 (i) the amount of the proceeds of the beer excise tax collected in accordance with this  
92 section for the fiscal year two years preceding the fiscal year of deposit; and

93 (ii) an amount equal to 40% of the amount listed in Subsection (2)(a)(i).

94 (b) The notification required by Subsection (2)(a) shall be sent to:

95 (i) the Governor's Office of Planning and Budget; and

96 (ii) the Legislative Fiscal Analyst.

97 (3) (a) There is created within the General Fund a restricted account known as the

98 "Childhood Early Intervention Health Account."

99 (b) Beginning on July 1, 2007, the revenues generated by the increase in the beer  
100 excise tax under this section enacted during the 2007 General Session shall be deposited in the  
101 Childhood Early Intervention Health Account.

102 (c) (i) The revenue from the account shall be annually appropriated to the Department  
103 of Health for childhood early intervention programs.

104 (ii) The Department of Health shall provide an annual report to the Health and Human  
105 Services Interim Committee no later than October 1 of each year. The report shall include:

106 (A) the amount of funds received;

107 (B) the use of the funds by the department; and

108 (C) a description of the effectiveness of the programs funded by the account.

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**Legislative Review Note**  
**as of 1-18-07 2:55 PM**

**Office of Legislative Research and General Counsel**

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**H.B. 312 - Funding for Department of Health Early Intervention Programs**

**Fiscal Note**

2007 General Session

State of Utah

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**State Impact**

Enactment of this bill creates a restricted account in the General Fund known as the Early Childhood Intervention Health Account. An increase in the beer tax rate provided by this bill is estimated to generate \$2,189,300 in FY 2008 and \$2,205,700 in FY 2009 which will be deposited into this restricted account to be used by the Department of Health for childhood early intervention programs.

	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2007</u> <u>Revenue</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>
Restricted Funds	\$0	\$2,189,300	\$2,205,700	\$0	\$2,189,300	\$2,205,700
<b>Total</b>	<b>\$0</b>	<b>\$2,189,300</b>	<b>\$2,205,700</b>	<b>\$0</b>	<b>\$2,189,300</b>	<b>\$2,205,700</b>

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**Individual, Business and/or Local Impact**

Enactment of this bill would result in a 1 cent increase in beer tax on each 12 oz. glass consumed.