

ASSEMBLY BILL NO. 3338
(First Reprint)

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Assembly Bill No. 3338 (First Reprint) with my recommendations for reconsideration.

This bill would dedicate one percent of the tax revenue collected under the Cigarette Tax Act and the Tobacco Products Wholesale Sales and Use Tax Act to the Department of Health to fund and implement anti-smoking initiatives in New Jersey.

Currently, approximately \$10 million is spent annually in New Jersey on anti-smoking initiatives, helping smokers and tobacco users quit the habit and ensuring others do not become addicted in the first place. New Jersey has the third lowest prevalence of tobacco use in the nation, and that number has consistently dropped over the years.

I am concerned by the immediate effective date of this bill. This bill would divert nearly \$7 million from the General Fund for Fiscal Year 2018. Those funds have already been dedicated through the Appropriations Act, and their loss would be an impediment to the operation of New Jersey in Fiscal Year 2018. Legislative leaders and I worked very hard to balance the budget and ensure the State will operate properly for Fiscal Year 2018. It has been the policy of this Administration for eight years not to approve supplemental appropriations without identifying how they would be specifically paid for without creating the deficit spending we inherited in 2010. We will not change that policy now.

To address this problem, I recommend simply delaying implementation of this bill by one year, so that the diversion from the General Fund will be anticipated and incorporated into

the next budget. New Jersey will be assured the benefit of even further anti-smoking initiatives, without obstructing the carefully-crafted Fiscal Year 2018 budget.

Accordingly, I herewith return Assembly Bill No. 3338 (First Reprint) and recommend that it be amended as follows:

<u>Page 3, Section 1, Line 13:</u>	Delete "2017" and insert "2018"
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<u>Page 3, Section 2, Line 28:</u>	Delete "2017" and insert "2018"
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Respectfully,

[seal]

/s/ Chris Christie

Governor

Attest:

/s/ James J. DiGiulio

Chief Counsel to the Governor