

Montana Associated Students
Resolution for a Revenue Enhancement Regarding Tobacco products
February 9, 2017
SB06-16/17

Authored by: Sam Forstag, MAS President; Andy Bixler, MAS Lobbyist
Sponsored by:

Whereas, the Montana Associated Students (MAS) represents the interests of over 40,000 students at the Montana University System (MUS);

Whereas, The Montana Legislature has proposed \$25 million in cuts to the Montana University System (MUS);

Whereas, Most Montana universities are already facing budget shortfalls significant enough to possibly require cuts to personnel and the prospect of tuition hikes;

Whereas, Due to a significant drop in state revenues, the state of Montana is facing widespread cuts to numerous state agencies and struggling to find revenue sources with which to fund many state agencies and the MUS;

Whereas, The current balance of state funding and tuition already leaves Montana students graduating college with an average of over \$27,000 in student loan debt;

Whereas, Montana currently ranks 37th in the nation for state appropriations to public higher education¹;

Whereas, the inelastic nature of tobacco products has incentivized legislative proposals aimed at increasing the state tax on tobacco in Montana;

Whereas, an increase in the state tax on tobacco products would bring more revenue to the State of Montana;

Whereas, the revenue generated by an increase in the state tobacco tax could be partially allocated to the MUS, thereby decreasing the proposed \$25 million cut that could fall on the backs of students;

Whereas, according to the surgeon general, one of the most effective tobacco control interventions is raising the price of tobacco products;

Whereas, tobacco company Philip Morris stated: “Tax increases are expected to continue to have an adverse impact on sales of tobacco products by our tobacco subsidiaries, due to lower consumption levels...” [10-Q Report, November 3, 2008]

1 FY 2015 State Higher Education. Rep. N.p.: n.p., 2016. Web. Boon, A. (2017, January 18). RAISING CIGARETTE TAXES REDUCES SMOKING, ESPECIALLY AMONG KIDS. Retrieved February 7, 2017, from <https://www.tobaccofreekids.org/research/factsheets/pdf/0146.pdf>

Therefore, Let it Be Resolved that the Montana Associated Students (MAS) supports current legislative proposals for an increase to the state tax on tobacco products;

Therefore, Let it Further Be Resolved that MAS supports directing a maximal amount of this revenue toward restoring the deep cuts that have been proposed to Montana University System's budget for FY 2017-18;

Passed by Committee: _____

Passed by ASUM Senate: _____

Kennedee Burk,
MAS Vice President Internal

Sam Forstag,
MAS President

Passed by Committee: _____, 2017

Passed by ASUM Senate: _____, 2017