



CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

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GAVIN NEWSON
Governor

NICOLAS MADUROS
Director

December 22, 2020

Honorable Nancy Skinner, Chair
Joint Legislative Budget Committee
1020 N Street, room 553
Sacramento, CA 95814

Attention: Mr. Han Hemann

Re: Cigarette and Tobacco Products Licensing Act Law Section 22990.7, Annual Report to the Legislature

Dear Chairwoman Skinner:

Pursuant to the requirements of the Cigarette and Tobacco Products Licensing Act Law Section 22990.7, this report summarizes the California Department of Tax and Fee Administration's data about whether the annual licensing fee funding levels are set at an appropriate level to maintain an effective enforcement program for the *Cigarette and Tobacco Products Licensing Act of 2003*. This report includes the total revenue collected and total cost incurred during Fiscal Year 2019-20, as well as the beginning and ending balances of the Cigarette and Tobacco Products Compliance Fund (3067).

For Fiscal Year 2019-20, the total revenue collected was less than the total cost of the program. However, due to the available fund balance, there are sufficient resources to support the program at this time.

Beginning Fund 3067 Balance (Adjusted):	\$ 12,666,894
FY 2019-20 Revenue Collected:	\$ 10,585,079
FY 2019-20 CDTFA Administrative Cost:	-\$ 10,193,393
FY 2019-20 State Expenses:	-\$ 1,505,214
Ending Fund 3067 Balance:	\$ 11,553,366

If you have questions regarding this report, please contact Shryl Thomas in the Accounting and Budgeting Bureau by phone (916) 309-1251 or by email at Shryl.thomas@cdtfa.ca.gov.

Sincerely,

Nicolas Maduros
Director

NM: jt1

cc: The Honorable Anna Caballero, Chair, Senate Budget and Fiscal Review, Subcommittee #4
The Honorable Anthony Portantino, Chair, Senate Committee on Appropriations
The Honorable Mike McGuire, Chair, Senate Governance and Finance Committee
The Honorable Philip Y. Ting, Chair, Assembly Committee on Budget
The Honorable Wendy Carillo, Chair, Assembly Budget Subcommittee #4
The Honorable Adrin Nazarian, Member, Assembly Budget Subcommittee #4
The Honorable Lorena Gonzalez, Chair, Assembly Committee on Appropriations
The Honorable Autumn Burke Chair, Assembly Committee on Revenue and Taxation
Mr. Anthony Williams, Deputy Secretary Legislation, Office of the Governor
Ms. Kris Cook, Department of Finance
Mr. Chris Hill, Department of Finance
Mr. Derk Symons, Department of Finance
Mr. Jay Chamberlain, Department of Finance
Ms. Erika Contreras, Secretary of the Senate
Mr. Seth Kerstein, Legislative Analyst's Office
Ms. Sarah Scanlon, Legislative Analyst's Office
Ms. Sue Parker, Assistant Chief Clerk of the California State Assembly
Ms. Amy Leach, Office of the Chief Clerk of the California State Assembly
Mr. Joe Stephenshaw, Staff Director, Senate Budget Fiscal and Review Committee
Mr. Mark McKenzie, Staff Director, Senate Appropriations Committee
Mr. Colin Grinnell, Staff Director, Senate Governance and Finance Committee
Mr. Christian Griffith, Chief Consultant, Assembly Committee on Budget
Ms. Genevieve Morelos, Consultant, Assembly Budget Subcommittee #4
Mr. Jay Dickenson, Chief Consultant, Assembly Committee on Appropriations
Mr. Luke Reidenbach, Principal Consultant, Assembly Committee on Appropriations
Mr. M. David Ruff, Chief Consultant, Assembly Revenue and Taxation Committee
Ms. Diane Boyer-Vine, Legislative Counsel
Mr. Jim Lasky, Office of Legislative Counsel
Ms. Trista Gonzalez (MIC 104)
Mr. Jason Mallet (MIC 25)
Ms. Susanne Buehler (MIC 43)
Ms. Michele Linton (MIC 105)
Mr. Brad Miller (MIC 92)
Ms. Lisa Sherrod (MIC 31)
Ms. Aimee Olhiser (MIC 75)
Ms. Sandy Barrow (MIC 31)