



## CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

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GAVIN NEWSON  
Governor

NICOLAS MADUROS  
Director

November 14, 2022

Honorable Sydney Kamlager, Chair  
Joint Legislative Budget Committee  
1020 N Street, room 553  
Sacramento, CA 95814

Attention: Mr. Hans Hemann

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

Dear Chairwoman Kamlager:

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 2020-21, as well as the beginning and ending balances of the Cigarette and Tobacco Products Compliance Fund (3067).

For Fiscal Year 2021-22, the total revenue collected was less than the total cost of the program and the statewide costs attributed to the fund. However, due to the available fund balance, there are sufficient resources to support the program at this time.

Beginning Fund 3067 Balance (Adjusted):	\$ 10,488,583
FY 2020-21 Revenue Collected:	\$ 10,495,507
FY 2020-21 CDTFA Administrative Cost:	-\$ 9,142,719
FY 2020-21 State Expenses:	-\$ 1,713,045
Ending Fund 3067 Balance:	\$ 10,128,326

If you have questions regarding this report, please contact the Program Administration Branch at (916) 323-0206.

Sincerely,

Nicolas Maduros  
Director

NM: jt1

cc:

The Honorable Sydney Kamlager, Chair, Senate Budget and Fiscal Review, Subcommittee #4  
The Honorable Anthony Portantino, Chair, Senate Committee on Appropriations  
The Honorable Anna Caballero, Chair, Senate Governance and Finance Committee  
The Honorable Phil Ting, Chair, Assembly Committee on Budget  
The Honorable Wendy Carrillo, Chair, Assembly Budget Subcommittee #4  
The Honorable Chris R. Holden, Chair, Assembly Committee on Appropriations  
The Honorable Jaqui Irwin, Chair, Assembly Committee on Revenue and Taxation  
Ms. Kris Cook, Department of Finance  
Mr. Chris Hill, Department of Finance  
Mr. Derk Symons, Department of Finance  
Ms. Erika Contreras, Secretary of the Senate  
Mr. Seth Kerstein, 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. Hans Hemann, Consultant, Joint Legislative Budget Committee  
Ms. Elisa Wynne, Deputy 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. Irene Ho, Principal Consultant, Assembly Committee on Appropriations  
Mr. M. David Ruff, Chief Consultant, Assembly Revenue and Taxation Committee Legislative Counsel Bureau, Office of Legislative Counsel, Indexing Division Legislative Analyst's Office  
Ms. Trista Gonzalez (MIC 104)  
Ms. Michele Linton (MIC 105)  
Mr. Jason Mallet (MIC 25)  
Ms. Susanne Buehler (MIC 43)  
Ms. Michele Linton (MIC 105)  
Mr. Brad Miller (MIC 92)  
Ms. Aimee Olhiser (MIC 75)  
Ms. Sandy Barrow (MIC 31)