

HOUSE No. 3509

The Commonwealth of Massachusetts

PRESENTED BY:

Brian R. Mannel

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to establish a multi-agency task force to combat illegal tobacco sales.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Brian R. Mannel</i>	<i>2nd Barnstable</i>	<i>1/14/2015</i>
<i>Michael J. Rodrigues</i>	<i>First Bristol and Plymouth</i>	<i>1/20/2015</i>

HOUSE No. 3509

By Mr. Mannal of Barnstable, a petition (accompanied by bill, House, No. 3509) of Brian R. Mannal and Michael J. Rodrigues for legislation to establish a multi-agency task force to combat illegal tobacco sales. Revenue.

The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

An Act to establish a multi-agency task force to combat illegal tobacco sales.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. To provide for certain costs of the interagency task force on illegal tobacco
2 enforcement as established by section 33 of chapter 12 of the General Laws the sum set forth in
3 section 2E is hereby appropriated from the General Fund to the trust fund named within the item
4 and established pursuant to this act.

5 SECTION 2E.

6 Office of the Treasurer and Receiver General

7 0610-XXXX For an operating transfer to the Tobacco Enforcement Trust Fund

8 established pursuant to section 2RRRR of chapter 29 of the General Laws

9\$2,000,000.

10 SECTION 3. Chapter 12 of the General Laws is hereby amended by adding the following
11 section:-

12 Section 33. (a) The General Court finds and declares that:

13 (1) lost revenue from illegal tobacco distribution is estimated at between \$62 million and
14 \$246 million after the most recent tobacco excise tax increases. A reduction of even 10 per cent
15 would mean revenue protection and enhancement of between \$6.2 million and \$24.6 million;

16 (2) the cost to fund a 20-person team to enforce the current law protecting the
17 commonwealth against illegal tobacco distribution is only \$2 million;

18 (3) the creation of joint task forces have proven to be an effective mechanism for
19 combating the illegal tobacco market and enhancing interagency relationships, information
20 sharing, and the prosecution of violators; and

21 (4) a separate trust fund with revenue from the seizure and forfeiture of illegal tobacco
22 product will defray the costs to the commonwealth of investigations and providing additional
23 technical equipment or expertise.

24 (b) There shall be in the department of the attorney general an interagency task force on
25 illegal tobacco enforcement, hereinafter referred to as the task force. The task force shall consist
26 of the attorney general, or a designee, the commissioner of revenue, or a designee, the
27 commander of the state police, or a designee, and the state treasurer, or a designee.

28 (c) The task force shall assist the department of revenue in the enforcement of chapter
29 64C.

30 (d) The attorney general shall designate an assistant attorney general as the director of the
31 task force. The director may appoint and remove, subject to the approval of the attorney general,
32 such expert, clerical or other assistants as the work of the task force may require.

33 (e) The attorney general in conjunction with the state police, the department of revenue
34 and the task force shall enforce criminal violations of chapter 64C which shall include, but not be
35 limited to: (1) investigating and prosecuting allegations of criminal activity related to the
36 possession, sale, delivery or transport of unstamped cigarettes or tobacco products or the
37 unauthorized use of tax stamps in the commonwealth; and (2) the seizure and forfeiture of
38 vending machines, receptacles, boxes or cartons in which tobacco products are contained, any
39 vehicle used in the illegal transportation and any records relating to the importation, purchase
40 and sale of unstamped tobacco products. The attorney general shall provide assistance, upon
41 request, to the task force in the consideration and promulgation of rules and regulations and shall
42 ensure that there shall be no duplication of duties and responsibilities between the department of
43 revenue and the task force.

44 SECTION 4. Chapter 29 of the General Laws is hereby amended by inserting after
45 section 2QQQQ, inserted by section 14 of chapter 359 of the acts of 2014, the following section:-

46 Section 2RRRR. (a) There shall be established and set upon the books of the
47 commonwealth a separate fund to be known as the Tobacco Enforcement Trust Fund into which
48 shall be deposited amounts credited or transferred to the fund by the general court or any other
49 source including, without limitation, proceeds from the disposition of forfeited property pursuant
50 to section 38B of chapter 64C, federal grants and any other amounts required to be credited to
51 the fund by operation of law. The fund shall be administered by the state treasurer and receiver
52 general. Monies deposited into the fund that are unexpended at the end of the fiscal year shall not
53 revert to the General Fund and shall be available for expenditure in the subsequent fiscal year.

54 (b) Amounts credited to the fund shall be used, without further appropriation, to provide
55 funding to the interagency task force on illegal tobacco enforcement established by section 33 of
56 chapter 12 for the enforcement of chapter 64C.

57 SECTION 5. Chapter 64C of the General Laws is hereby amendment by inserting after
58 section 38A the following section:-

59 Section 38B. When a court proceeding under this chapter results in a final order of
60 forfeiture pursuant to this chapter, the final order shall provide for disposition of forfeited items
61 in any manner not prohibited by law, including official use by an authorized law enforcement or
62 other public agency, including members of the interagency task force on illegal tobacco
63 enforcement, or sale at public auction or by competitive bidding; and deposit of the monies and
64 proceeds of any such sale, less associated expenses, to the Tobacco Enforcement Trust Fund,
65 from which the funds may be expended by members of the said task force for tobacco
66 enforcement-related purposes, including defraying the costs of investigations and providing
67 additional technical equipment or expertise.