It is a class A misdemeanor punishable, notwithstanding the provisions of section 560.021, RSMo, to the contrary, for a term of imprisonment not to exceed one year in the county jail or a fine not to exceed ten thousand dollars or both, for anyone to sign any initiative petition with any name other than his or her own, or knowingly to sign his or her name more than once for the same measure for the same election, or to sign a petition when such person knows he or she is not a registered voter.

**INITIATIVE PETITION**

To the Honorable Jason Kander, Secretary of State for the state of Missouri:

We, the undersigned, registered voters of the state of Missouri and ______________ County (or city of St. Louis), respectfully order that the following proposed amendment to the constitution shall be submitted to the voters of the state of Missouri, for their approval or rejection, at the general election to be held on the 8th day of November, 2016, and each for himself or herself says: I have personally signed this petition; I am a registered voter of the state of Missouri and ______________ County (or city of St. Louis); my registered voting address and the name of the city, town or village in which I live are correctly written after my name.

**CIRCULATOR'S AFFIDAVIT**

**STATE OF MISSOURI, COUNTY OF ______________**

I, ______________, being first duly sworn, say (print or type names of signers)

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<th>NAME (Signature)</th>
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Signed this page of the foregoing petition, and each of them signed his or her name thereto in my presence; I believe that each has stated his or her name, registered voting address and city, town or village correctly, and that each signor is a registered voter of the state of Missouri and ______________ County.

FURTHERMORE, I HEREBY SWEAR OR AFFIRM UNDER PENALTY OF PERJURY THAT ALL STATEMENTS MADE BY ME ARE TRUE AND CORRECT AND THAT I HAVE NEVER BEEN CONVICTED OF, FOUND GUILTY OF, OR PLED GUILTY TO ANY OFFENSE INVOLVING FORGERY.

I am at least 18 years of age, I do □ do not □ (check one) expect to be paid for circulating this petition. If paid, list the payer

__________________________
Signature of Affiant (Person obtaining signatures)

__________________________
Address of Affiant

__________________________
(Printed Name of Affiant)

__________________________
Subscribed and sworn to before me this ______ day of ______________, A.D. 201__.

__________________________
Signature of Notary

__________________________
Notary Public (Seal)

__________________________
Address of Notary

__________________________
My commission expires ____________
NOTICE: You are advised that the proposed amendment to the constitution changes, repeals, or modifies by implication, or may be construed to change, repeal or modify by implication, Article IV of the Missouri Constitution and the following provisions of the Missouri Revised Statutes — Sections 33.080, 66.340, 66.350, 149.015, 149.021, 149.065, 149.160, 196.1003, 210.102, and 210.320. The proposed amendment enacts four new sections in Article IV of the Missouri Constitution, to be known as Sections 54, 54(a), 54(b), and 54(c).

Be it resolved by the people of the state of Missouri that the Constitution be amended:

Article IV is amended by adopting four new sections to be known as Sections 54, 54(a), 54(b), and 54(c).

Section 54. The provisions of Sections 54 through 54(c) shall be known as the Early Childhood Health and Education Amendment. It shall be the public policy of this state to improve the health and education of children, from birth through age five, and to improve accountability for early childhood health and education funding.

Section 54(a). 1. There is hereby created the Early Childhood Health and Education Trust Fund. The fund shall consist of all moneys collected as provided in Section 54(c) and shall also include the balance of the Coordinating Board for Early Childhood Fund, which shall cease to exist as a discrete fund after its proceeds are transferred into the Early Childhood Health and Education Trust Fund upon the effective date of this section. Interest and moneys earned on the fund shall be deposited in the fund. Moneys in the fund may be invested by the state treasurer, and any income therefrom shall be credited to the fund. Any moneys credited to and deposited in the fund shall be used only for purposes which are authorized by this section, shall not be diverted to any other purpose, and shall not be subject to the provisions of section 33.080, or other similar law. The net proceeds from the moneys collected as provided in Section 54(c) shall constitute new and additional funding for the activities, initiatives, and programs and shall not be used to replace existing funding as of July 1, 2016, for the same or similar activities, initiatives, and programs. The funds deposited in the fund and available for distribution to public and private entities shall be distributed as follows:

a. At least seventy-five percent (75%) of funds shall be disbursed in grants for improving the quality of and increasing access to Missouri early childhood education programs, including preschool, home visitation, parent and family support and education, professional development and training for early childhood development providers, and increasing coordination of and public information about the importance of early childhood development;

b. No less than ten percent (10%) and no more than fifteen percent (15%) of funds shall be disbursed in grants to Missouri hospitals or other health care facilities to improve access to quality early childhood health and development programs, including preventive health care, obesity prevention, infant mortality prevention, health and developmental screenings for Missouri children ages birth through five; and

c. No less than five percent (5%) and no more than ten percent (10%) of funds shall be disbursed in grants to provide evidenced-based smoking cessation and prevention programs for Missouri pregnant mothers and youth, to be used solely for the purpose of establishing, maintaining, and enhancing activities, programs, and initiatives to promote tobacco use quit assistance and prevention, including a comprehensive statewide tobacco control program that incorporates the use of nicotine replacement therapy products regulated as drugs or devices by the United States food and drug administration under Chapter V of the Federal Food, Drug, and Cosmetic Act, and public health for tobacco-related diseases. The comprehensive statewide tobacco control program shall be consistent with the United States Centers for Disease Control and Prevention’s, or its successor agency’s, best practices and guidelines for tobacco control programs, if any, and shall be designed to be effective to prevent and reduce tobacco use, reduce the public’s exposure to secondhand smoke, and identify and eliminate disparities related to tobacco use and its effects among different population groups. The components of the comprehensive statewide tobacco control program shall include, but not be limited to: state and community-based interventions, health communication interventions, cessation interventions, surveillance and evaluation, and administration and management.

2. Unless modified by law, eligible administrative expenses shall include only those reasonable and necessary for: (1) Salaries, fringe benefits, expenses, and equipment of staff employed by the Early Childhood Commission, as defined in Section 54(b); (2) Expenses associated with cost sharing of salaries, fringe benefit expenses, and equipment of staff employed or contracted by the Early Childhood Commission from any other state department or agency of the state; (3) Expenses of the Early Childhood Commission associated with contracting with not-for-profit entities; and (4) Expenses of the Early Childhood Commission associated with audits and outcome evaluations of programs and activities funded under this section. Unless modified by law, no more than three percent (3%) of the moneys deposited in the Early Childhood Health and Education Trust Fund shall be used for administrative expenses. The Commission shall establish guidelines and controls concerning grantees’ administrative expenses associated with meeting requirements of grants.

Section 54(b). 1. As of the effective date of this section, the Coordinating Board for Early Childhood shall be reformed and shall be renamed the Early Childhood Commission. On the effective date of this section any of the Coordinating Board’s programs, duties, obligations, powers, assets, and liabilities not assumed by the Early Childhood Commission under the express terms of this Section shall, unless otherwise provided by law, be taken up by the Early Childhood Commission. Any employees of the Coordinating Board for Early Childhood shall retain the same status with the Commission on the effective date of this section, and the executive director of the board shall be the first Administrator of the Commission, unless such employees or director are lawfully terminated.

2. In addition to the duties already provided under the laws establishing and governing the Coordinating Board for Early Childhood, the Commission shall also have the duty to administer and make grants from the Early Childhood Health and Education Trust Fund as provided in section 54(a) of this article, as may be provided by law. Only Missouri residents who are also legal residents of the United States are authorized to receive services or benefits from any funds generated by this Amendment, unless otherwise prohibited by state or federal law. All services or programs that derive from funds generated by this Amendment shall be performed in the state of Missouri. Only hospitals and health care facilities operating in the state of Missouri that maintain a license in good standing pursuant to Missouri’s hospital or health care facility licensing laws shall be eligible to receive grants from the Early Childhood Health and Education Trust Fund pursuant to Section 54(a)(1)(b). The Commission shall have the power to hire an Administrator and staff, promulgate rules and regulations; apply for and receive public or private gifts, grants, or appropriations; buy, sell, or lease real and personal property; make disbursements and grants; and any other powers necessary to carry out the duties and grants set out in this paragraph. None of the funds collected, distributed, or allocated from the Early Childhood Health and Education Trust Fund shall be expended, paid or granted to or on behalf of existing or proposed activities, programs, or initiatives that involve abortion services including performing, inducing, or assisting with abortions, as defined in law, or encouraging patients to have abortions, referring patients for abortions not necessary to save the life of the mother, or development of drugs, chemicals, or devices intended to be used to induce an abortion. None of the
funds collected, distributed, or allocated from the Early Childhood Health and Education Trust Fund shall be expended, paid or granted to or on behalf of any abortion clinic, abortion clinic operator, or outpatient health care facility that provides abortion services, unless such services are limited to medical emergencies. No funds from the Early Childhood Health and Education Trust Fund shall be used for human cloning or research, clinical trials, or therapies or cures using human embryonic stem cells, as defined in Article III, section 38(d). No funds from the Early Childhood Health and Education Trust Fund shall be used for tobacco related research of any kind. Distributions of funds under this amendment shall not be limited or prohibited by the provisions of Article IX, section 8.

3. The Commission shall establish and maintain a conflict of interest policy for its members and staff. The Commission shall ensure a fair and equitable distribution of funds distributed as grants based on the established residency population of children ages birth through five. The Commission shall establish accountability and audit requirements for all grant recipients, including requirements that success be measured by outcomes for Missouri children and families. Unless modified by law, Commission members shall include: (1) the director or the director’s designee from each of the following departments: health and senior services, mental health, and social services; (2) the commissioner or the commissioner’s designee from the department of elementary and secondary education; (3) two members of the Missouri general assembly. One member shall be the chairman of the joint committee on education. One member shall be a member of the joint committee on education. One member shall be from a different party and different legislative chamber than the chairman of the joint committee on education, and shall be appointed by the elected officer, either the speaker of the house of representatives or the president pro tempore of the senate, of the member’s legislative party. Directors shall be appointed by the head of the state head-state department or by the director of the department of elementary and secondary education. Directors shall join the Missouri general assembly on the following areas: early childhood education and development providers, local head start agencies, higher education, business, faith, and medicine. The Governor shall appoint, with the advice and consent of the senate, the three citizens representing the areas of medicine, business, and higher education. The state board of education shall appoint the citizens representing the areas of early childhood education and development providers, local head start agencies, and faith. Commission members shall serve a term of three years. Such citizens shall be eligible to serve two terms. Such citizens that serve a partial term of less than eighteen months shall be eligible to serve the partial term and two full terms. Such citizens that serve a partial term of more than eighteen months shall be eligible to serve the partial term and one full term. No Commissioners shall receive any compensation for their service as a Commissioner.

Section 54(c). In addition to any tax levied upon the sale of cigarettes in this state, a tax shall be levied upon the sale of cigarettes in an amount equal to thirty mills per cigarette (or sixty cents per pack of twenty cigarettes), phased in, in four equal annual increments of one-half mills each (or fifteen cents per pack of twenty cigarettes) on January 1, 2017, January 1, 2018, January 1, 2019, and January 1, 2020. The tax shall be evidenced by stamps which shall be furnished by and purchased from the director or by an impression of the tax by the use of a metering machine when authorized by the director as provided by statute, and the stamps or impression shall be securely affixed to one end of each package in which cigarettes are contained. All cigarettes must be stamped before being sold in this state. For the purpose of allowing compensation for the costs necessarily incurred in affixing the proper tax stamps to each package of cigarettes before making a sale of the cigarettes, each wholesaler purchasing stamps from the director as required by law may purchase the stamps from the director at a reduction of three percent (3%) of the face value of each lot of stamps so purchased, provided that all statutorily required reports have been made. The director shall provide in this section shall be the only dealer allowed to purchasers from the director. If a purchaser refuses to comply with the laws of the state of Missouri, the director shall require the full face value for stamps purchased until such time as the person has complied with the provisions of the law. The director may permit the use of meter machines in lieu of stamps, for the impress of the tax stamp, and where used a three percent (3%) reduction on the total tax due shall be allowed. The director shall prescribe all rules and regulations governing the use of meter machines and may require a bond in a suitable amount to guarantee payment of the tax. The tax on any cigarettes contained in packages of twenty to be used solely for distribution as samples shall be computed on a per cigarette basis at the rate set forth in this section, and payment of the tax shall be remitted to the director of revenue at such time and in such manner as he may prescribe by rule. Stamped cigarettes in the possession of a wholesaler or retailer before each incremental tax increase under this section is imposed shall not be subject to incremental tax increase before retail sale.

2. a. In addition to the tax provided in section 54(c), effective January 1, 2017, an equity assessment fee is imposed upon the first to occur of the following: the purchase, storage, use, consumption, handling, distribution or wholesale sale of each package of twenty (20) cigarettes manufactured by a non-participating manufacturer. The equity assessment fee shall be paid by the wholesaler, and collected by the director of revenue at the same time cigarette tax stamps are purchased from the director of revenue, and the payment and collection of the equity assessment fee shall be subject to the rules and regulations promulgated in connection with the payment and collection of the cigarette tax. The term “Non-participating manufacturer” is defined as a manufacturer that is treated as such under the Master Settlement Agreement entered into by the State of Missouri and certain tobacco manufacturers on November 23, 1998.

b. The rate of the equity assessment fee shall be sixty-seven cents ($0.67) per package of twenty (20) cigarettes. Beginning with equity assessment fees due in 2018, the equity assessment fee shall be adjusted each year in accordance with the Inflation Adjustment in the Master Settlement Agreement, provided that, in determining the applicable Inflation Adjustment Percentage, inflation from 1999-2017 shall not be included.

c. The tax imposed by this section does not apply to cigarettes or cigarette tobacco products that are sold into another state for resale to consumers outside of this state, provided that the sale is reported to the state into which the cigarettes are sold under 15 U.S.C. Section 376.

d. The fee imposed by this section is in addition to any other privilege, license, fee, or tax required or imposed by state law, provided however that a manufacturer shall not be required to place funds into a qualified escrow fund under Chapter 196 of the Revised Statutes of Missouri for any cigarettes that such manufacturer demonstrates in a filing with the Attorney General that the required amount of fees have been paid under this section.

e. All moneys collected as a result of the taxes and fees imposed by this section shall be deposited in the Early Childhood Health and Education Trust Fund as said moneys are received, and shall be kept separate from the general revenue fund as well as any other funds or accounts in the state treasury. The additional actual costs incurred by the state in collecting and enforcing the taxes and fees imposed by this section may be paid from moneys appropriated from the Early Childhood Health and Education Trust Fund for that purpose, but shall not exceed one and one-half percent (1 1/2%) of the general money moneys deposited in the Early Childhood Health and Education Trust Fund shall not be used to pay costs that are not additional actual costs incurred by the state in collecting and enforcing the taxes and fees imposed by this section, except that one percent (1%) of the funds deposited in the fund shall be used by the Director of Public Safety and the Director of Revenue to employ personnel for the sole purpose of criminal tobacco enforcement of existing state laws regarding tobacco products. No funds from the Early
Childhood Health and Education Trust Fund shall be used for any lobbying, or for the promotion or support of any tax increase or any other state or local prohibition or limitation on tobacco products, coupons or promotions.

4. On an annual basis, the director of revenue, in consultation with the director of health and senior services, shall determine whether the taxes imposed by section 54(c) have resulted in a decrease in consumption of tobacco products and thereby directly caused a reduction in the amount of moneys collected and deposited into the fair share fund, the health initiatives fund, or the state school moneys fund, revenues generated from local tobacco taxes, or revenues generated from local sales taxes. If a reduction in the amount of moneys collected and deposited into any of those funds or revenues generated from local tobacco taxes or local sales taxes, has been directly caused by the taxes imposed by section 54(c), an amount equal to the amount of moneys that were not collected and deposited into that fund or funds or were not generated by the local tobacco taxes or local sales taxes because of the taxes imposed by this section shall be transferred from the Early Childhood Health and Education Trust Fund as follows: first, to the appropriate political subdivisions, and second to the appropriate fund or funds. The aggregate amount transferred to such political subdivisions and/or funds for any year shall not exceed four percent (4%) of the total moneys collected pursuant to this section during that same year.