



FOR IMMEDIATE RELEASE
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LATINO LEADERS OPPOSE PROPOSITION 86

– Tax increase would have be devastating impact in the Latino Community –

Washington, D.C. – The Board of Directors of The Latino Coalition announced today their strong opposition to Proposition 86 in California. This proposition would substantial increase the cigarette tax by an additional \$2.60 per pack, triggering a serious negative impact in the Latino business community and fueling an intensive black market trafficking of unregulated and illegal cigarettes in California.

“Without a doubt, such a large increase in the cigarette tax will create a large demand for cheaper cigarettes in the black market. And this illegal trafficking of cigarettes will clearly target young Latino children throughout California,” said TLC President Robert Deposada. “If Proposition 86 passes, a single truckload of cigarettes would be worth over \$2 million to criminal and gangs. Why would anyone think that this will not be an incentive for criminals and gangs to increase their illegal activities and recruit new members for these actions? And guess what, our community will be the prime target. And this would be the entry point for involvement in illegal activities for many of our children. Clearly this proposition would be very detrimental to our community.”

The Board of Directors supports efforts to reduce smoking among our youth, but strongly believe that Proposition 86 is the wrong approach. “If the revenues generated by this program would target good spending, it would be one thing, but the fact is that only 10% of this tax increase will go to anti-smoking program,” Deposada added. “And this proposition could also affect public education spending, so there’s no positive side to this new large tax increase on consumers.”

Proposition 86 exempts itself from the California constitutional provision mandating that 40% of all new tax revenues be set aside for public education. “In other words, this huge tax increase will not go for either anti-smoking programs or education, it will go toward additional bureaucracy spending in Sacramento. So why should anyone support this huge tax increase?”

This tax increase will also lead to a serious loss of income for many small businesses that depend on impulse purchasing. “Many small businesses, particularly in the Latino community earn serious revenues from cigarette sales and the other sales generated by the consumers that go out t buy cigarettes,” said TLC Board Member and California businessman Julio Gudino. “This huge tax increase will seriously hurt them, and would hurt California’s recent economic growth. Do we want to go back to a sluggish economy with huge deficit spending that was so detrimental to Latino families? Absolutely not! Every Latino should go out and oppose this unnecessary and hurtful tax increase.”

Proposition contains 38 pages of spending mandates experts agree that the amount of revenues raised by this tax will decline over time and lead to huge budget deficit and cuts to other crucial programs like education, transportation and law enforcement in the future. “The Latino Coalition strongly urges Latino voters in California to oppose Proposition 86.”

The Latino Coalition is a non-profit, non-partisan organization based in Washington, D.C. TLC was established to address policy issues that directly affect the well-being of Hispanics in the United States. TLC’s agenda is to develop and promote policies that will foster economic equivalency and enhance overall business, economic, and social development of Hispanics.

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