



An Act Concerning The Use Of Tobacco Settlement Funds For Biomedical Research.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 26 of public act 99-2 of the June special session is
2 repealed and the following is substituted in lieu thereof:

3 (a) There is created a Tobacco Settlement Fund which shall be a
4 separate nonlapsing fund. Any funds received by the state from the
5 Master Settlement Agreement executed November 23, 1998, shall be
6 deposited into the fund.

7 (b) The Treasurer is authorized to invest all or any part of the
8 Tobacco Settlement Fund, [and] all or any part of the Tobacco and
9 Health Trust Fund created in section 27 of public act 99-2 of the June
10 special session, as amended by this act, and all or any part of the
11 Biomedical Research Trust Fund created in section 3 of this act. The
12 interest derived from any such investment shall be credited to the
13 resources of the fund from which the investment was made.

14 [(c) For the fiscal years ending June 30, 2000, and June 30, 2001,
15 annual]

16 (c) (1) For the fiscal year ending June 30, 2000, disbursements from
17 the Tobacco Settlement Fund shall be made as follows: [(1) First to] (A)
18 To the General Fund in the amount identified as "Transfer from

19 Tobacco Settlement Fund" in the General Fund revenue schedule
20 adopted by the General Assembly; and [(2) second] (B) to the Tobacco
21 and Health Trust Fund in an amount equal to twenty million dollars.

22 (2) For the fiscal year ending June 30, 2001, and each fiscal year
23 thereafter, annual disbursements from the Tobacco Settlement Fund
24 shall be made as follows: (A) To the General Fund in the amount
25 identified as "Transfer from Tobacco Settlement Fund" in the General
26 Fund revenue schedule adopted by the General Assembly; (B) to the
27 Tobacco and Health Trust Fund in an amount equal to twenty million
28 dollars; and (C) to the Biomedical Research Trust Fund in an amount
29 equal to ten million dollars.

30 (d) Notwithstanding the provisions of subparagraph (B) of
31 subdivision [(2)] (1) of subsection (c) of this section, for the fiscal year
32 ending June 30, 2000, five million dollars shall be disbursed from the
33 Tobacco Settlement Fund to a tobacco grant account to be established
34 in the Office of Policy and Management. Such funds shall not lapse on
35 June 30, 2000, and shall continue to be available for expenditure during
36 the fiscal year ending June 30, 2001.

37 (e) Grants shall be made by the Secretary of the Office of Policy and
38 Management in consultation with the speaker of the House of
39 Representatives, the president pro tempore of the Senate, the majority
40 leader of the House of Representatives, the majority leader of the
41 Senate, the minority leader of the House of Representatives, the
42 minority leader of the Senate, and the cochairpersons and ranking
43 members of the joint standing committees of the General Assembly
44 having cognizance of matters relating to public health and
45 appropriations and the budgets of state agencies, or their designees.
46 Such grants shall be used to reduce tobacco abuse through prevention,
47 education, cessation, treatment, enforcement and health needs
48 programs.

49 Sec. 2. Section 27 of public act 99-2 of the June special session is
50 repealed and the following is substituted in lieu thereof:

51 There is created a Tobacco and Health Trust Fund which shall be a
52 separate nonlapsing fund. The trust fund may accept transfers from
53 the Tobacco Settlement Fund and may apply for and accept gifts,
54 grants or donations from public or private sources to enable the trust
55 fund to carry out its objectives.

56 Sec. 3. (NEW) There is created a Biomedical Research Trust Fund
57 which shall be a separate nonlapsing fund. The trust fund may accept
58 transfers from the Tobacco Settlement Fund and may apply for and
59 accept gifts, grants or donations from public or private sources to
60 enable the trust fund to carry out its objectives. The trust fund shall be
61 used by the Commissioner of Higher Education to make grants-in-aid
62 to public or private university research centers in this state for the
63 purpose of funding biomedical research in the field of tobacco-related
64 diseases.

PH Committee Vote: Yea 25 Nay 0 JFS

APP Committee Vote: Yea 48 Nay 0 JF