

USE OF TOBACCO SETTLEMENT MONIES

1999 GENERAL SESSION

STATE OF UTAH

Sponsor: Lane Beattie

AN ACT RELATING TO STATE AFFAIRS IN GENERAL; CREATING A RESTRICTED ACCOUNT FOR TOBACCO SETTLEMENT FUNDS; MAKING CONFORMING AMENDMENTS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

26-40-112, as enacted by Chapter 360, Laws of Utah 1998

ENACTS:

63-97-101, Utah Code Annotated 1953

63-97-102, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **26-40-112** is amended to read:

26-40-112. Hospital Provider Assessment Account.

(1) There is created within the General Fund a restricted account known as the "Hospital Provider Assessment Account."

(2) The account shall be nonlapsing and consist of:

(a) proceeds from the assessment imposed in accordance with Section 26-40-111;

(b) funds transferred from the Medicaid Hospital Provider Temporary Assessment

Account;

(c) private contributions; and

(d) interest earned on monies in the account[~~;~~and].

~~[(e) any funds received by virtue of the state's action for reimbursement of medicaid funds from tobacco manufacturers that are not restricted by use or purpose by:]~~

~~[(i) the federal government;]~~

~~[(ii) state or federal law; or]~~

~~[(iii) the terms of any settlement agreement, order, law, or related contract.]~~

- (3) Funds in the account shall be appropriated by the Legislature to fund:
 - (a) the program; and
 - (b) if funds remain after Subsection (3)(a), the Medicaid program.

Section 2. Section **63-97-101** is enacted to read:

CHAPTER 97. TOBACCO SETTLEMENT ACCOUNT

63-97-101. Title.

This chapter is known as the "Tobacco Settlement Account."

Section 3. Section **63-97-102** is enacted to read:

63-97-102. Creation of restricted account.

(1) There is created within the General Fund a restricted account known as the Tobacco Settlement Account.

(2) The account shall consist of all funds received by the state that are related to the settlement agreement that the state entered into with leading tobacco manufacturers on November 23, 1998.

(3) Funds in the account may only be used as directed by the Legislature through appropriation.

Section 4. Effective date.

If approved by two-thirds of all the members elected to each house, this act takes effect upon approval by the governor, or the day following the constitutional time limit of Utah Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto, the date of veto override.