

1 **TOBACCO SETTLEMENT RESTRICTED**

2 **ACCOUNT**

3 2002 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: David H. Steele**

6 **This act modifies provisions related to the Tobacco Settlement Funds and Endowment. The**
7 **act clarifies the source of the funds appropriated to the Department of Health for alcohol,**
8 **tobacco, and other drug programs. The act provides an effective date.**

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

10 AMENDS:

11 **63-97-201**, as renumbered and amended by Chapter 351, Laws of Utah 2000

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

13 Section 1. Section **63-97-201** is amended to read:

14 **63-97-201. Creation of Tobacco Settlement Restricted Account.**

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

17 (2) The account shall earn interest.

18 (3) The account shall consist of:

19 (a) until July 1, 2003, 50% of all funds of every kind that are received by the state that are
20 related to the settlement agreement that the state entered into with leading tobacco manufacturers
21 on November 23, 1998;

22 (b) on and after July 1, 2003, 40% of all funds of every kind that are received by the state
23 that are related to the settlement agreement that the state entered into with leading tobacco
24 manufacturers on November 23, 1998; and

25 (c) interest earned on the account.

26 (4) To the extent that funds will be available for appropriation in a given fiscal year, those
27 funds shall be appropriated from the account in the following order:



28 (a) \$5,500,000 to the Department of Health for the Children's Health Insurance Program
29 created in Section 26-40-103;

30 (b) \$4,000,000 to the Department of Health for alcohol, tobacco, and other drug prevention,
31 reduction, cessation, and control programs that promote unified messages and make use of media
32 outlets, including radio, newspaper, billboards, and television, and with a preference in funding
33 given to tobacco-related programs;

34 (c) \$193,700 to the Administrative Office of the Courts and \$1,296,300 to the Department
35 of Human Services for the statewide expansion of the drug court program;

36 (d) \$77,400 to the Board of Pardons, \$81,700 to the Department of Corrections, and
37 \$350,900 to the Department of Human Services for a drug board pilot program;

38 (e) \$4,000,000 to the State Board of Regents for the University of Utah Health Sciences
39 Center to benefit the health and well-being of Utah citizens through in-state research, treatment,
40 and educational activities; and

41 (f) any remaining funds as directed by the Legislature through appropriation.

42 (5) (a) If tobacco funds in dispute for attorneys fees are received by the state, those funds
43 shall be divided and deposited in accordance with Subsection (3) and Section 63-97-301.

44 (b) The amount appropriated from the Tobacco Settlement Restricted Account to the
45 Department of Health for alcohol, tobacco, and other drug programs described in Subsection
46 (4)(b), including the funding preference for tobacco-related programs, shall be increased by up to
47 \$2,000,000 in a given fiscal year to the extent that funds in dispute for attorneys fees are available
48 to the state for appropriation from the account.

49 (6) Each state agency identified in Subsection (4) shall provide an annual report on the
50 program and activities funded under Subsection (4) to:

51 (a) the Health and Human Services Interim Committee no later than September 1; and

52 (b) the Health and Human Services Joint Appropriations Subcommittee.

53 **Section 2. Effective date.**

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

Legislative Review Note
as of 1-16-02 1:43 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel