

**DISTRIBUTION OF TOBACCO SETTLEMENT**

**MONIES AMENDMENTS**

2009 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Ron Bigelow**

Senate Sponsor: Lyle W. Hillyard

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**LONG TITLE**

**General Description:**

This bill changes the amounts provided to the Departments of Health and Human Services from the Tobacco Settlement Funds.

**Highlighted Provisions:**

This bill:

- ▶ reduces amounts allotted to the Departments of Health and Human Services from the Tobacco Settlement Funds;
- ▶ reduces the amount allotted to the Department of Human Services for a drug board pilot program; and
- ▶ changes the amount provided to the Department of Health for the Children's Health Insurance Program.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides an immediate effective date.

**Utah Code Sections Affected:**

AMENDS:

**51-9-201**, as last amended by Laws of Utah 2008, Chapter 250 and renumbered and amended by Laws of Utah 2008, Chapter 382

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

30 Section 1. Section **51-9-201** is amended to read:

31 **51-9-201. Creation of Tobacco Settlement Restricted Account.**

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

34 (2) The account shall earn interest.

35 (3) The account shall consist of:

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

39 (b) on and after July 1, 2003 and until July 1, 2004, 80% of all funds of every kind  
40 that are received by the state that are related to the settlement agreement that the state entered  
41 into with leading tobacco manufacturers on November 23, 1998;

42 (c) on and after July 1, 2004 and until July 1, 2005, 70% of all funds of every kind  
43 that are received by the state that are related to the settlement agreement that the state entered  
44 into with leading tobacco manufacturers on November 23, 1998;

45 (d) on and after July 1, 2005 and until July 1, 2007, 75% of all funds of every kind  
46 that are received by the state that are related to the settlement agreement that the state entered  
47 into with leading tobacco manufacturers on November 23, 1998;

48 (e) on and after July 1, 2007, 60% of all funds of every kind that are received by the  
49 state that are related to the settlement agreement that the state entered into with leading  
50 tobacco manufacturers on November 23, 1998; and

51 (f) interest earned on the account.

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

54 (a) [~~\$10,300,000~~] \$10,452,900 to the Department of Health for the Children's Health  
55 Insurance Program created in Section 26-40-103 and for restoration of dental benefits in the  
56 Children's Health Insurance Program;

57 (b) [~~\$4,000,000~~] \$3,847,100 to the Department of Health for alcohol, tobacco, and

58 other drug prevention, reduction, cessation, and control programs that promote unified  
 59 messages and make use of media outlets, including radio, newspaper, billboards, and  
 60 television, and with a preference in funding given to tobacco-related programs;

61 (c) \$193,700 to the Administrative Office of the Courts and [~~\$1,296,300~~] \$1,471,700  
 62 to the Department of Human Services for the statewide expansion of the drug court program;

63 (d) \$77,400 to the Board of Pardons, \$81,700 to the Department of Corrections, and  
 64 [~~\$350,900~~] \$175,500 to the Department of Human Services for a drug board pilot program;

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

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

69 (5) (a) If tobacco funds in dispute for attorney fees are received by the state, those  
 70 funds shall be divided and deposited in accordance with Subsection (3) and Section 51-9-202.

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

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

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

79 (b) the Health and Human Services Appropriations Subcommittee.

80 **Section 2. Effective date.**

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