

DISTRIBUTION OF TOBACCO SETTLEMENT

MONIES AMENDMENTS

2009 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ron Bigelow

Senate Sponsor: Lyle W. Hillyard

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:

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

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

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

(2) The account shall earn interest.

(3) The account shall consist of:

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

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

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

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

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

(f) interest earned on the account.

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

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

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

Legislative Review Note

as of 2-27-09 10:00 AM

Office of Legislative Research and General Counsel

H.B. 302 - Distribution of Tobacco Settlement Monies Amendments

Fiscal Note

2009 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations. This Legislation makes changes for how much money programs receive from the Tobacco Settlement Restricted Account, but the changes result in net \$0 movements inside the Department of Health and the Department of Human Services.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
