

RECEIVED

99 APR -2 09 4: 16

OFFICE OF THE CLERK
SENATE CHAMBER

WEST VIRGINIA LEGISLATURE

FIRST REGULAR SESSION, 1999



ENROLLED

House Bill No. 3031

(By Delegates Leach, Compton, Ashley, Thompson,
Fleischauer, Laird and Miller)



Passed March 13, 1999

In Effect Ninety Days from Passage

HB 3031

RECEIVED

99 MAR -2 PM 4:10

STATE OF WEST VIRGINIA
SECRETARY OF STATE

ENROLLED
H. B. 3031

(BY DELEGATES LEACH, COMPTON, ASHLEY,
THOMPSON, FLEISCHAUER, LAIRD AND MILLER)

[Passed March 13, 1999; in effect ninety days from passage.]

AN ACT to amend chapter four of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new article, designated article eleven-a, all relating to appropriations of tobacco settlement money; creating two funds for the deposit of tobacco settlement moneys; authorizing the expenditure of the interest from the West Virginia tobacco settlement medical trust fund; authorizing certain expenditures from the "Tobacco Settlement Fund" only upon legislative appropriation.

Be it enacted by the Legislature of West Virginia:

That chapter four of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new article, designated article eleven-a, to read as follows:

ARTICLE 11A. LEGISLATIVE APPROPRIATION OF TOBACCO SETTLEMENT FUNDS.

§4-11A-1. Legislative findings and purpose.

- 1 (a) On the twenty-third day of November, one thousand
- 2 nine hundred ninety-eight, tobacco product manufacturers
- 3 entered into a settlement agreement with the state. This "master
- 4 settlement agreement" releases those manufacturers from past,

5 present and specific future claims against them in return for
6 payment of annual sums of money to the state, obligates the
7 manufacturers to change their advertising and marketing
8 practices, and requires the establishment by the manufacturers
9 of a national foundation for the interests of public health.

10 (b) The revenues received pursuant to the master settlement
11 agreement are directly related to the past, present and future
12 costs incurred by the state for the treatment of tobacco related
13 illnesses. The purpose of this article is to preserve the revenues
14 received from the settlement.

15 (c) The receipt of funds in accordance with the master
16 settlement agreement shall be deposited only in accordance
17 with the provisions of this article.

**§4-11A-2. Receipt of settlement funds and required deposit in
West Virginia tobacco settlement medical trust
fund.**

1 (a) The Legislature finds and declares that certain dedicated
2 revenues should be preserved in trust for the purpose of
3 stabilizing the states health related programs and delivery
4 systems. It further finds and declares that these dedicated
5 revenues should also be preserved in trust for the purpose of
6 educating the public about the health risks associated with
7 tobacco usage and for the establishment of a program designed
8 to reduce and stop the use of tobacco by the citizens of this state
9 and in particular by teenagers.

10 (b) There is hereby created a special account in the state
11 treasury, designated the "West Virginia Tobacco Settlement
12 Medical Trust Fund", which shall be an interest-bearing
13 account and may be invested in the manner permitted by section
14 nine, article six, chapter twelve of this code, with the interest
15 income a proper credit to the fund. Unless contrary to federal
16 law, fifty percent of all revenues received pursuant to the
17 master settlement agreement shall be deposited in this fund.
18 Funds paid into the account may also be derived from the
19 following sources:

20 (1) All interest or return on investment accruing to the fund;

21 (2) Any gifts, grants, bequests, transfers or donations which
22 may be received from any governmental entity or unit or any
23 person, firm, foundation or corporation; and

24 (3) Any appropriations by the Legislature which may be
25 made for this purpose.

26 (c) The moneys from the principal in the trust fund may not
27 be expended for any purpose. The moneys in the trust fund
28 resulting from interest earned on the moneys in the fund and the
29 return on investments of the moneys in the fund shall be
30 available only upon appropriation by the Legislature as part of
31 the state budget and expended in accordance with the provisions
32 of section three of this article.

**§4-11A-3. Receipt of settlement funds and required deposit in the
West Virginia tobacco settlement fund.**

1 (a) There is hereby created in the state treasury a special
2 revenue account, designated the "Tobacco Settlement Fund",
3 which shall be an interest bearing account and may be invested
4 in the manner permitted by the provisions of article six, chapter
5 twelve of this code, with the interest income a proper credit to
6 the fund. Unless contrary to federal law, fifty percent of all
7 revenues received pursuant to the master settlement agreement
8 shall be deposited in this fund. These funds shall be available
9 only upon appropriation by the Legislature as part of the state
10 budget: *Provided*, That for the fiscal year two thousand, the first
11 five million dollars received into the fund shall be transferred
12 to the public employees insurance reserve fund created in
13 article two, chapter five-a of this code.

14 (b) Appropriations from the tobacco settlement fund are
15 limited to expenditures for the following purposes:

16 (1) Reserve funds for continued support of the programs
17 offered by the public employees insurance agency established
18 in article sixteen, chapter five of this code;

19 (2) Funding for expansion of the federal-state medicaid
20 program as authorized by the Legislature or mandated by the
21 federal government;

22 (3) Funding for public health programs, services and
23 agencies; and

24 (4) Funding for any state owned or operated health facili-
25 ties.

26 (c) Notwithstanding the provisions of section two, article
27 two, chapter twelve of this code, moneys within the tobacco
28 settlement trust fund may not be redesignated for any purpose
29 other than those set forth in this section.

That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Robert Schomover
Chairman Senate Committee

Joe F. Smith
Chairman House Committee

Originating in the House.

Takes effect ninety days from passage.

Carroll Johnson
Clerk of the Senate

Bryony M. King
Clerk of the House of Delegates

Carl Ray Tomblin
President of the Senate

Robert L. Givens
Speaker of the House of Delegates

The within approved this the 2nd
day of April, 1999.

Earl A. Rayburn
Governor

PRESENTED TO THE

GOVERNOR

Date

3/30/99

Time

3:55 pm