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HOUSE BILL 525

44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

INTRODUCED BY

Luciano "Lucky" Varela

AN ACT

RELATING TO TOBACCO SETTLEMENT REVENUES; CREATING THE TOBACCO SETTLEMENT TRUST FUND AND THE TOBACCO SETTLEMENT INCOME FUND; EARMARKING CERTAIN TOBACCO SETTLEMENT REVENUE AND INCOME FOR HEALTH-RELATED PURPOSES; MAKING AN APPROPRIATION; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. TOBACCO SETTLEMENT REVENUES--DISPOSITION. --

The state treasurer shall distribute the following amounts to the following funds from every amount distributed to the state pursuant to the master settlement agreement entered into between tobacco product manufacturers and the various states, including New Mexico, and executed November 23, 1998 or transferred to the state from a qualified escrow fund authorized by a qualifying state statute enacted pursuant to

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1 the master settlement agreement:

2 A. an amount equal to thirty-five percent of the
3 distribution to the tobacco settlement trust fund; and

4 B. an amount equal to sixty-five percent of the
5 distribution to the tobacco settlement health fund.

6 Section 2. TOBACCO SETTLEMENT TRUST FUND CREATED--
7 REVENUES--INCOME DISTRIBUTION.--The "tobacco settlement trust
8 fund" is created in the state treasury. The fund shall
9 consist of money transferred to the fund from distributions to
10 the state pursuant to the master settlement agreement entered
11 into between tobacco product manufacturers and the various
12 states, including New Mexico, and executed November 23, 1998
13 or transferred to the state from a qualified escrow fund
14 authorized by a qualifying state statute enacted pursuant to
15 the master settlement agreement. Money in the fund shall be
16 invested by the state investment officer as land grant
17 permanent funds are invested pursuant to Chapter 6, Article 8
18 NMSA 1978. Money in the fund shall not be expended for any
19 purpose. One-half of the income earned from investment of the
20 fund shall accrue to the fund and one-half shall be
21 distributed annually to the tobacco settlement health fund for
22 appropriation by the legislature as provided by law.

23 Section 3. TOBACCO SETTLEMENT HEALTH FUND CREATED--
24 PURPOSE.--The "tobacco settlement health fund" is created in
25 the state treasury and shall consist of distributions to the

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1 fund of earnings from investment of the tobacco settlement
2 trust fund and tobacco settlement revenues deposited in the
3 fund. An amount equal to the following percentages of the
4 money deposited in the fund in the prior fiscal year shall be
5 appropriated by the legislature in any fiscal year as follows:

6 A. ninety percent for health-related programs and
7 services; and

8 B. ten percent for programs and services directed
9 toward prevention or cessation of smoking.

10 Section 4. EMERGENCY.--It is necessary for the public
11 peace, health and safety that this act take effect
12 immediately.