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SENATE MEMORIAL 46

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

INTRODUCED BY

Dede Fieldman

A MEMORIAL

REQUESTING THE UNITED STATES CONGRESS TO ENACT LEGISLATION  
AMENDING THE SOCIAL SECURITY ACT TO PROHIBIT RECOUPMENT BY THE  
FEDERAL GOVERNMENT OF STATE TOBACCO SETTLEMENT FUNDS.

WHEREAS, on November 23, 1998, representatives from  
forty-six states signed a settlement agreement with the five  
largest tobacco manufacturers; and

WHEREAS, the attorneys general master tobacco settlement  
agreement culminated legal action that began in 1994 when  
states began filing lawsuits against the tobacco industry; and

WHEREAS, New Mexico and the other states that signed the  
master tobacco settlement agreement are currently making their  
initial decisions regarding the most responsible ways and  
means to use the settlement funds; and

WHEREAS, under the terms of the agreement, tobacco

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1 manufacturers will pay two hundred six billion dollars  
2 (\$206,000,000,000) over the next twenty-five years to the  
3 respective states, and New Mexico is projected to receive  
4 about one billion one hundred seventy million dollars  
5 (\$1,170,000,000) of that amount; and

6 WHEREAS, because many state lawsuits sought to recover  
7 medicaid funds spent to treat illnesses caused by tobacco use,  
8 the health care financing administration contends that it is  
9 authorized and obligated under the Social Security Act to  
10 collect its share of any tobacco settlement funds attributable  
11 to medicaid; and

12 WHEREAS, the master tobacco settlement agreement does not  
13 address the medicaid recoupment issue, and thus the Social  
14 Security Act must be amended to resolve the recoupment issue  
15 in favor of the respective states; and

16 WHEREAS, as we move toward final approval of the master  
17 tobacco settlement agreement, it is imperative that state  
18 sovereignty be preserved;

19 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE  
20 OF NEW MEXICO that the United States congress enact  
21 legislation amending the Social Security Act to prohibit  
22 recoupment by the federal government of state tobacco  
23 settlement funds; and

24 BE IT FURTHER RESOLVED that state legislatures have  
25 complete autonomy over the appropriation and expenditure of

1 state tobacco settlement funds, and that the federal  
2 government not earmark or impose any other restrictions on the  
3 respective states' use of state tobacco settlement funds; and

4 BE IT FURTHER RESOLVED that copies of this memorial be  
5 transmitted to the president of the United States of America,  
6 the president and the secretary of the United States senate,  
7 the speaker and the clerk of the United States house of  
8 representatives and each member of the New Mexico  
9 congressional delegation.

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