

HOUSE BILL NO. HB0197

Tobacco settlement funds.

Sponsored by: Representative(s) Osborn

A BILL

for

1 AN ACT relating to tobacco settlement funds; amending
2 revenue streams and uses of funds received under the master
3 settlement agreement regarding litigation between several
4 states and major tobacco manufacturers; and providing for
5 an effective date.

6

7 *Be It Enacted by the Legislature of the State of Wyoming:*

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9 **Section 1.** W.S. 9-4-1203(a)(i), (b), (c)(i) and by
10 creating new subsections (d) and (e) is amended to read:

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12 **9-4-1203. Tobacco settlement trust fund established;**
13 **corpus inviolate; investment by state treasurer.**

14

15 (a) An account within the trust and agency fund is
16 established which shall be referred to as the Wyoming

1 tobacco settlement trust fund. The Wyoming tobacco
2 settlement trust fund shall consist of:

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4 (i) All funds received by the state of Wyoming
5 prior to March 15, 2002 as financial recovery under the
6 terms of the master settlement agreement regarding
7 litigation between several states and major tobacco
8 manufacturers, which settlement agreement was approved by
9 the state of Wyoming in November 1998; and

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11 (b) Except as otherwise provided in this section,
12 funds deposited into the Wyoming tobacco settlement trust
13 fund established pursuant to subsection (a) of this section
14 are intended to be inviolate and constitute a permanent or
15 perpetual trust fund which shall be invested by the state
16 treasurer as authorized by law and in a manner to obtain
17 the highest return possible consistent with preservation of
18 the corpus. Any earnings from investment of the corpus of
19 the trust fund and, except as provided in subsection (d) of
20 this section, all funds received by the state of Wyoming on
21 or after March 15, 2002 as financial recovery under the
22 terms of the master settlement agreement specified in
23 paragraph (a)(i) of this section shall be credited by the

1 state treasurer into a separate trust fund income account
2 within the earmarked revenue fund.

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4 (c) Revenues deposited into the trust fund income
5 account established under subsection (b) shall be expended:

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7 (i) Only for purposes related to the improvement
8 of the health of Wyoming's citizens including:

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10 (A) Efforts to prevent in prevention and
11 cessation of tobacco use through school and community based
12 programs; and

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14 (B) Efforts to establish and implement
15 programs to prevent, intervene in, and otherwise limit
16 alcohol and substance abuse; and

17

18 (d) To the extent revenues deposited in the trust fund
19 income account established under subsection (b) of this
20 section are insufficient to adequately fund the legislative
21 appropriation for the programs specified in paragraph
22 (c)(i) of this section in any fiscal year, the state
23 treasurer shall transfer funds, as necessary, from the
24 Wyoming tobacco settlement trust fund to the trust fund

1 income account to fund the legislative appropriation for
2 the programs. In the following fiscal year, any funds
3 received by the state as recovery under the terms of the
4 master settlement agreement shall first be deposited in the
5 Wyoming tobacco settlement trust fund to the extent
6 necessary to replace funds transferred out of the Wyoming
7 tobacco settlement trust fund the previous fiscal year,
8 together with interest at a rate equal to the interest rate
9 the transferred funds would have earned the previous year
10 as part of the Wyoming tobacco settlement trust fund. The
11 remaining funds for that fiscal year shall be deposited in
12 the trust fund income account.

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14 (e) Funds not otherwise appropriated, expended or
15 obligated as provided in subsection (c) of this section
16 shall be transferred to the tobacco settlement trust fund
17 on July 1 of each year following the receipt of those
18 funds.

19

1 **Section 2.** This act is effective immediately upon
2 completion of all acts necessary for a bill to become law
3 as provided by Article 4, Section 8 of the Wyoming
4 Constitution.

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6

(END)