

# HB1100



## 100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB1100

by Rep. Michael J. Madigan

### SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-43

Amends the State Finance Act. Makes a technical change in a Section concerning the Tobacco Settlement Recovery Fund.

LRB100 02264 MLM 12269 b

A BILL FOR

1 AN ACT concerning finance.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The State Finance Act is amended by changing  
5 Section 6z-43 as follows:

6 (30 ILCS 105/6z-43)

7 Sec. 6z-43. Tobacco Settlement Recovery Fund.

8 (a) There is created in the ~~the~~ State Treasury a special  
9 fund to be known as the Tobacco Settlement Recovery Fund, which  
10 shall contain 3 accounts: (i) the General Account, (ii) the  
11 Tobacco Settlement Bond Proceeds Account and (iii) the Tobacco  
12 Settlement Residual Account. There shall be deposited into the  
13 several accounts of the Tobacco Settlement Recovery Fund and  
14 the Attorney General Tobacco Fund all monies paid to the State  
15 pursuant to (1) the Master Settlement Agreement entered in the  
16 case of People of the State of Illinois v. Philip Morris, et  
17 al. (Circuit Court of Cook County, No. 96-L13146) and (2) any  
18 settlement with or judgment against any tobacco product  
19 manufacturer other than one participating in the Master  
20 Settlement Agreement in satisfaction of any released claim as  
21 defined in the Master Settlement Agreement, as well as any  
22 other monies as provided by law. Moneys shall be deposited into  
23 the Tobacco Settlement Bond Proceeds Account and the Tobacco

1 Settlement Residual Account as provided by the terms of the  
2 Railsplitter Tobacco Settlement Authority Act, provided that  
3 an annual amount not less than \$2,500,000, subject to  
4 appropriation, shall be deposited into the Attorney General  
5 Tobacco Fund for use only by the Attorney General's office. The  
6 scheduled \$2,500,000 deposit into the Tobacco Settlement  
7 Residual Account for fiscal year 2011 should be transferred to  
8 the Attorney General Tobacco Fund in fiscal year 2012 as soon  
9 as this fund has been established. All other moneys available  
10 to be deposited into the Tobacco Settlement Recovery Fund shall  
11 be deposited into the General Account. An investment made from  
12 moneys credited to a specific account constitutes part of that  
13 account and such account shall be credited with all income from  
14 the investment of such moneys. The Treasurer may invest the  
15 moneys in the several accounts the Fund in the same manner, in  
16 the same types of investments, and subject to the same  
17 limitations provided in the Illinois Pension Code for the  
18 investment of pension funds other than those established under  
19 Article 3 or 4 of the Code. Notwithstanding the foregoing, to  
20 the extent necessary to preserve the tax-exempt status of any  
21 bonds issued pursuant to the Railsplitter Tobacco Settlement  
22 Authority Act, the interest on which is intended to be  
23 excludable from the gross income of the owners for federal  
24 income tax purposes, moneys on deposit in the Tobacco  
25 Settlement Bond Proceeds Account and the Tobacco Settlement  
26 Residual Account may be invested in obligations the interest

1 upon which is tax-exempt under the provisions of Section 103 of  
2 the Internal Revenue Code of 1986, as now or hereafter amended,  
3 or any successor code or provision.

4 (b) Moneys on deposit in the Tobacco Settlement Bond  
5 Proceeds Account and the Tobacco Settlement Residual Account  
6 may be expended, subject to appropriation, for the purposes  
7 authorized in subsection (g) of Section 3-6 of the Railsplitter  
8 Tobacco Settlement Authority Act.

9 (c) As soon as may be practical after June 30, 2001, upon  
10 notification from and at the direction of the Governor, the  
11 State Comptroller shall direct and the State Treasurer shall  
12 transfer the unencumbered balance in the Tobacco Settlement  
13 Recovery Fund as of June 30, 2001, as determined by the  
14 Governor, into the Budget Stabilization Fund. The Treasurer may  
15 invest the moneys in the Budget Stabilization Fund in the same  
16 manner, in the same types of investments, and subject to the  
17 same limitations provided in the Illinois Pension Code for the  
18 investment of pension funds other than those established under  
19 Article 3 or 4 of the Code.

20 (d) All federal financial participation moneys received  
21 pursuant to expenditures from the Fund shall be deposited into  
22 the General Account.

23 (Source: P.A. 99-78, eff. 7-20-15.)