

HB0467



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB0467

Introduced 01/31/11, 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.

LRB097 03294 PJG 43331 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 all
14 monies paid to the State pursuant to (1) the Master Settlement
15 Agreement entered in the case of People of the State of
16 Illinois v. Philip Morris, et al. (Circuit Court of Cook
17 County, No. 96-L13146) and (2) any settlement with or judgment
18 against any tobacco product manufacturer other than one
19 participating in the Master Settlement Agreement in
20 satisfaction of any released claim as defined in the Master
21 Settlement Agreement, as well as any other monies as provided
22 by law. Moneys shall be deposited into the Tobacco Settlement
23 Bond Proceeds Account and the Tobacco Settlement Residual

1 Account as provided by the terms of the Railsplitter Tobacco
2 Settlement Authority Act, provided that an annual amount not
3 less than \$2,500,000, subject to appropriation, shall be
4 deposited into the Tobacco Settlement Residual Account for use
5 by the Attorney General for enforcement of the Master
6 Settlement Agreement. All other moneys available to be
7 deposited into the Tobacco Settlement Recovery Fund shall be
8 deposited into the General Account. An investment made from
9 moneys credited to a specific account constitutes part of that
10 account and such account shall be credited with all income from
11 the investment of such moneys. The Treasurer may invest the
12 moneys in the several accounts the Fund in the same manner, in
13 the same types of investments, and subject to the same
14 limitations provided in the Illinois Pension Code for the
15 investment of pension funds other than those established under
16 Article 3 or 4 of the Code. Notwithstanding the foregoing, to
17 the extent necessary to preserve the tax-exempt status of any
18 bonds issued pursuant to the Railsplitter Tobacco Settlement
19 Authority Act, the interest on which is intended to be
20 excludable from the gross income of the owners for federal
21 income tax purposes, moneys on deposit in the Tobacco
22 Settlement Bond Proceeds Account and the Tobacco Settlement
23 Residual Account may be invested in obligations the interest
24 upon which is tax-exempt under the provisions of Section 103 of
25 the Internal Revenue Code of 1986, as now or hereafter amended,
26 or any successor code or provision.

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

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

17 (d) All federal financial participation moneys received
18 pursuant to expenditures from the Fund shall be deposited into
19 the General Account.

20 (Source: P.A. 95-331, eff. 8-21-07; 96-958, eff. 7-1-10.)