

HB3869



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB3869

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.

LRB098 15428 JWD 50458 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 Section 6(g) of the Railsplitter Tobacco
8 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. 96-958, eff. 7-1-10; 97-72, eff. 7-1-11.)