

**FIRST ENGROSSMENT**

Fifty-sixth  
Legislative Assembly  
of North Dakota

**ENGROSSED SENATE CONCURRENT  
RESOLUTION NO. 4013**

Introduced by

Senators Sand, Kinnoin

Representatives Gorder, Meyer, Solberg

1 A concurrent resolution to create and enact a new section to article X of the Constitution of  
2 North Dakota, relating to a health care trust fund for deposit and use of funds from settlements  
3 with tobacco product manufacturers.

4 **STATEMENT OF INTENT**

5 This amendment would require deposit in the health care trust fund of all funds received by the  
6 state as a result of sections IX (Payments) and XI (Calculation and Disbursement of Payments)  
7 of the master settlement agreement and consent agreement adopted by the district court in its  
8 judgment entered in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris Inc., (East  
9 Central Dist. Ct., December 28, 1998), and would allow use of the earnings of the trust fund for  
10 statewide health care concerns.

11 **BE IT RESOLVED BY THE SENATE OF NORTH DAKOTA, THE HOUSE OF**  
12 **REPRESENTATIVES CONCURRING THEREIN:**

13 That the following proposed new section to article X of the Constitution of North Dakota  
14 is agreed to and must be submitted to the qualified electors of North Dakota at the general  
15 election to be held in 2000, in accordance with section 16 of article IV of the Constitution of  
16 North Dakota.

17 **SECTION 1.** A new section to article X of the Constitution of North Dakota is created  
18 and enacted as follows:

19 All funds received by the state pursuant to sections IX (Payments) and XI (Calculation  
20 and Disbursement of Payments) of the master settlement agreement and consent agreement  
21 adopted by the district court in its judgment entered in State of North Dakota, ex rel. Heidi  
22 Heitkamp v. Philip Morris Inc., (East Central Dist. Ct., December 28, 1998), must be placed  
23 into a permanent health care trust fund in the state treasury to be held in trust and administered  
24 by the board of university and school lands. The board may invest the health care trust fund as  
25 provided by law. The principal of the trust fund may not be expended. Eighty percent of annual

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- 1 earnings of the trust fund may be used to address statewide health care concerns, including
- 2 enforcement of the master settlement agreement and consent agreement. Beginning with the
- 3 biennium after the trust fund principal balance has reached one billion dollars, all of the annual
- 4 earnings of the trust fund may be used to address statewide health care concerns, including
- 5 enforcement of the master settlement agreement and consent agreement.