

**Fifty-sixth Legislative Assembly, State of North Dakota, begun in the Capitol in the City of Bismarck, on Tuesday, the fifth day of January, one thousand nine hundred and ninety-nine**

SENATE CONCURRENT RESOLUTION NO. 4008  
(Senator G. Nelson)  
(Representative Dorso)

A concurrent resolution urging Congress and the Clinton Administration to recognize state interests and enact legislation that would prohibit the federal Department of Health and Human Services from recouping the tobacco settlement funds as third-party recoveries under Medicaid law.

**WHEREAS**, in November 1998, 46 states agreed to a historic settlement with the tobacco industry, which ended a four-year battle with the industry over treatment costs states have incurred for smoking-related illnesses; and

**WHEREAS**, the 46 states could receive up to \$196 billion over a 25-year period, including disbursements totaling over \$717 million to the state of North Dakota; and

**WHEREAS**, the Master Settlement Agreement does not restrict or earmark the settlement, therefore the general belief is that the funds may be appropriated according to state law; and

**WHEREAS**, the decision for states now is how to best use the money; and

**WHEREAS**, the federal Department of Health and Human Services contends that existing Medicaid law (Section 1903(d) of the Social Security Act) compels it to recover its share of third-party payments, collected by states on behalf of Medicaid clients, and argues further that state tobacco settlement funds are third-party recoveries under the provisions of the Medicaid statute;

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

That the Fifty-sixth Legislative Assembly urges the Congress of the United States and the Clinton Administration to recognize state interests and enact legislation that would prohibit the federal Department of Health and Human Services from recouping the tobacco settlement funds as third-party recoveries under Medicaid law; and

**BE IT FURTHER RESOLVED**, that the Secretary of State forward copies of this resolution to the Secretary of the Department of Health and Human Services and to each member of the North Dakota Congressional Delegation.

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President of the Senate

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Speaker of the House

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Secretary of the Senate

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Chief Clerk of the House

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 1999,  
at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State