

HOUSE BILL NO. 1436

Introduced by

Representatives Boucher, Aarsvold, Kerzman, Rose, Sveen

Senator Wardner

1 A BILL for an Act to create and enact a new section to chapter 23-01 of the North Dakota
2 Century Code, relating to the establishment of the North Dakota health and education trust; and
3 to provide for a continuing appropriation.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** A new section to chapter 23-01 of the North Dakota Century Code is
6 created and enacted as follows:

7 **North Dakota health and education trust fund - Continuing appropriation.** The
8 North Dakota health and education trust fund is created as a special fund in the state treasury.
9 The state department of health shall administer the fund. The funds received by the state from
10 the tobacco litigation settlement agreement entered as a result of litigation against tobacco
11 industry companies and related entities must be allocated as follows:

- 12 1. During the first biennium in which the tobacco settlement payments are made:
 - 13 a. Eighty percent of the tobacco settlement payments must be invested in the
14 North Dakota health and education trust fund; and
 - 15 b. Twenty percent of the tobacco settlement payments is appropriated on a
16 continuing basis to the state department of health for health and education
17 programs.
- 18 2. Funds received during the second biennium in which the tobacco settlement
19 payments are made:
 - 20 a. Ninety percent of the tobacco settlement payments must be invested in the
21 North Dakota health and education trust fund;
 - 22 b. Ten percent of the tobacco settlement payments is appropriated on a
23 continuing basis to the state department of health for health and education
24 programs; and

- 1 c. The interest payments received on the previous years' investments are
- 2 appropriated on a continuing basis to the state department of health for health
- 3 and education programs.
- 4 3. During the third, fourth, and fifth bienniums in which the tobacco settlement
- 5 payments are made:
- 6 a. One hundred percent of the tobacco settlement payments must be invested in
- 7 the North Dakota health and education trust fund; and
- 8 b. The interest payments received on the previous years' investments are
- 9 appropriated on a continuing basis to the state department of health for health
- 10 and education programs.
- 11 4. During the sixth biennium in which tobacco settlement payments are made:
- 12 a. One hundred percent of the tobacco settlement payments must be invested in
- 13 the North Dakota health and education trust fund;
- 14 b. Ninety percent of the interest received on the previous years' investments is
- 15 appropriated on a continuing basis to the state department of health for health
- 16 and education programs; and
- 17 c. Ten percent of the interest received on the previous years' investments must
- 18 be reinvested in the North Dakota health and education trust fund.
- 19 5. During the seventh and remaining bienniums in which the tobacco settlement
- 20 payments are made:
- 21 a. One hundred percent of the tobacco settlement payments must be invested in
- 22 the North Dakota health and education trust fund;
- 23 b. Eighty percent of the interest received on the previous years' investments is
- 24 appropriated on a continuing basis to the state department of health for health
- 25 and education programs; and
- 26 c. Twenty percent of the interest received on the previous years' investments
- 27 must be reinvested in the North Dakota health and education trust fund.
- 28 6. During any biennium in which tobacco settlement payments are not made:
- 29 a. Eighty percent of the money received from interest on the investments in the
- 30 North Dakota health and education trust fund is appropriated on a continuing

- 1 basis to the state department of health for health and education programs;
- 2 and
- 3 b. Twenty percent of the money received from interest on the investments in the
- 4 North Dakota health and education trust fund must be reinvested in the North
- 5 Dakota health and education trust fund.