

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1475

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for allocation of funds from settlements with tobacco product manufacturers; and to declare an emergency.

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

**SECTION 1. Tobacco settlement trust fund - Interest on fund - Uses.**

There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under sections IX (payments) and XI (calculation and disbursement of payments) of the master settlement agreement and consent agreement adopted by the district court in its judgment entered in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. (east central dist. ct., December 28, 1998). All moneys received by the state pursuant to the judgment and all moneys received by the state for enforcement of the judgment must be deposited in the fund. Interest earned on the fund must be credited to the fund and deposited in the fund. The principal and interest of the fund shall be appropriated for purposes only as follows:

1. Transfers to a health education trust fund to be administered by the superintendent of public instruction. The superintendent of public instruction shall distribute grant funds as appropriated on the basis of average daily membership only for programs intended to prevent substance abuse in this state, with emphasis on youth education and cessation programs. Transfers under this subsection must equal five percent of total annual transfers from the tobacco settlement trust fund.
2. Transfers to the common schools trust fund to become a part of the principal of that fund. Transfers under this subsection must equal fifty percent of total annual transfers from the tobacco settlement trust fund.
3. Transfers to the resources trust fund to be used to address the long-term water development and management needs of the state. Transfers under this subsection must equal thirty-five percent of the total annual transfers from the tobacco settlement trust fund.
4. Transfers for other purposes approved by the legislative assembly, including enforcement of the terms of the judgment, must equal ten percent of total annual transfers from the tobacco settlement trust fund.

Transfers to the funds under subsections 1, 2, and 3 must be made within thirty days of receipt by the tobacco settlement trust fund. Funds to be transferred under subsection 4 must be held in the tobacco settlement trust fund until appropriated and transferred as directed by the legislative assembly.

**SECTION 2. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly