

**SECOND ENGROSSMENT  
with House Amendments**

Sixtieth  
Legislative Assembly  
of North Dakota

**REENGROSSED SENATE BILL NO. 2276**

Introduced by

Senators Wardner, Cook, Robinson

Representatives Aarsvold, Damschen, Price

1 A BILL for an Act to provide duties of the governor's prevention and advisory council; to amend  
2 and reenact section 54-27-25 of the North Dakota Century Code, relating to the tobacco  
3 settlement trust fund; and to provide an appropriation.

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

5 **SECTION 1. Governor's prevention and advisory council duties - Continuing**  
6 **appropriation.** The governor's prevention and advisory council shall contract with or grant  
7 funds to entities within this state to discourage impaired driving and alcohol and drug abuse by  
8 minors. The council may accept grants and gifts of any money, property, or service from any  
9 public or private source for the purposes of this section. Any funding obtained by the council,  
10 not otherwise appropriated, is appropriated on a continuing basis for the purposes of this  
11 section.

12 **SECTION 2. AMENDMENT.** Section 54-27-25 of the North Dakota Century Code is  
13 amended and reenacted as follows:

14 **54-27-25. Tobacco settlement trust fund - Interest on fund - Uses.**

15 1. There is created in the state treasury a tobacco settlement trust fund. The fund  
16 consists of the tobacco settlement dollars obtained by the state under sections IX  
17 (payments) and XI (calculation and disbursement of payments) of the master  
18 settlement agreement and consent agreement adopted by the east central judicial  
19 district court in its judgment entered December 28, 1998 [Civil No. 98-3778]. All  
20 moneys received by the state pursuant to the judgment and all moneys received  
21 by the state for enforcement of the judgment must be deposited in the fund.  
22 Interest earned on the fund must be credited to the fund and deposited in the fund.  
23 The principal and interest of the fund must be allocated as follows:

- 1           4- a. Transfers to a community health trust fund to be administered by the state  
2                           department of health. The state department of health may use funds as  
3                           appropriated for community-based public health programs and other public  
4                           health programs, including programs with emphasis on preventing or reducing  
5                           tobacco usage in this state. Transfers under this ~~subsection~~ subdivision must  
6                           equal ~~ten~~ sixteen percent of total annual transfers from the tobacco  
7                           settlement trust fund.
- 8           2- b. Transfers to the common schools trust fund to become a part of the principal  
9                           of that fund. Transfers under this ~~subsection~~ subdivision must equal ~~forty-five~~  
10                          forty-two percent of total annual transfers from the tobacco settlement trust  
11                          fund.
- 12           3- c. Transfers to the water development trust fund to be used to address the  
13                          long-term water development and management needs of the state. Transfers  
14                          under this ~~subsection~~ subdivision must equal ~~forty-five~~ forty-two percent of  
15                          the total annual transfers from the tobacco settlement trust fund.
- 16           2. Transfers to the funds under this section must be made within thirty days of receipt  
17                          by the tobacco settlement trust fund.

18           **SECTION 3. APPROPRIATION.** There is appropriated out of any moneys in the  
19           community health trust fund in the state treasury, not otherwise appropriated, the sum of  
20           \$100,000, or so much of the sum as may be necessary, to the governor for the purposes of  
21           section 1 of this Act, for the biennium beginning July 1, 2007, and ending June 30, 2009.