

1 AN ACT in relation to tobacco product manufacturers.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The State Finance Act is amended by changing
5 Section 6z-43 as follows:

6 (30 ILCS 105/6z-43)

7 Sec. 6z-43. Tobacco Settlement Recovery Fund.

8 (a) There is created in the State Treasury a special
9 fund to be known as the Tobacco Settlement Recovery Fund,
10 into which shall be deposited all monies paid to the State
11 pursuant to (1) the Master Settlement Agreement entered in
12 the case of People of the State of Illinois v. Philip Morris,
13 et al. (Circuit Court of Cook County, No. 96-L13146) and (2)
14 any settlement with or judgment against any tobacco product
15 manufacturer other than one participating in the Master
16 Settlement Agreement in satisfaction of any released claim as
17 defined in the Master Settlement Agreement, as well as any
18 other monies as provided by law. All earnings on Fund
19 investments shall be deposited into the Fund. Upon the
20 creation of the Fund, the State Comptroller shall order the
21 State Treasurer to transfer into the Fund any monies paid to
22 the State as described in item (1) or (2) of this Section
23 before the creation of the Fund plus any interest earned on
24 the investment of those monies. The Treasurer may invest the
25 moneys in the Fund in the same manner, in the same types of
26 investments, and subject to the same limitations provided in
27 the Illinois Pension Code for the investment of pension funds
28 other than those established under Article 3 or 4 of the
29 Code.

30 (b) As soon as may be practical after June 30, 2001,
31 upon notification from and at the direction of the Governor,

1 the State Comptroller shall direct and the State Treasurer
2 shall transfer the unencumbered balance in the Tobacco
3 Settlement Recovery Fund as of June 30, 2001, as determined
4 by the Governor, into the Budget Stabilization Fund. The
5 Treasurer may invest the moneys in the Budget Stabilization
6 Fund in the same manner, in the same types of investments,
7 and subject to the same limitations provided in the Illinois
8 Pension Code for the investment of pension funds other than
9 those established under Article 3 or 4 of the Code.

10 (c) In addition to any other deposits authorized by law,
11 after any delivery of any bonds as authorized by Section 7.5
12 of the General Obligation Bond Act for deposits to the
13 General Revenue Fund and the Budget Stabilization Fund
14 (referred to as "tobacco securitization general obligation
15 bonds"), the Governor shall certify, on or before June 30,
16 2003 and June 30 of each year thereafter, to the State
17 Comptroller and State Treasurer the total amount of principal
18 of, interest on, and premium, if any, due on those bonds in
19 the next fiscal year beginning with amounts due in fiscal
20 year 2004. As soon as practical after the annual payment of
21 tobacco settlement moneys to the Tobacco Settlement Recovery
22 Fund as described in item (1) of subsection (a), the State
23 Treasurer and State Comptroller shall transfer from the
24 Tobacco Settlement Recovery Fund to the General Obligation
25 Bond Retirement and Interest Fund the amount certified by the
26 Governor, plus any cumulative deficiency in those transfers
27 for prior years.

28 (d) ~~(e)~~ All federal financial participation moneys
29 received pursuant to expenditures from the Fund shall be
30 deposited into the Fund.

31 (e) In any civil litigation under any legal theory in
32 which a judgment is entered against a signatory or a
33 successor to a signatory of the Master Settlement Agreement,
34 as defined in Section 10 of the Tobacco Product

1 Manufacturers' Escrow Act, the appeal bond that the signatory
2 or successor or any other defendant may be required to post
3 to stay execution on the judgment during the time that an
4 appeal or discretionary review of the judgment is pending
5 shall be set in accordance with the law and the rules of the
6 court, except that in no case may the total amount of the
7 appeal bond exceed \$25,000,000, regardless of the total
8 amount of the judgment.

9 (f) If it is proved by a preponderance of the evidence
10 that an appellant for whom an appeal bond has been limited
11 under subsection (e) is intentionally dissipating or
12 diverting assets outside the ordinary course of its business
13 for the purpose of avoiding payment of the judgment, the
14 court shall enter any orders that are necessary to prevent
15 the dissipation or diversion of assets.

16 (g) The changes made by this amendatory Act of the 93rd
17 General Assembly apply to any action pending on or after the
18 effective date of this amendatory Act of the 93rd General
19 Assembly.

20 (Source: P.A. 91-646, eff. 11-19-99; 91-704, eff. 7-1-00;
21 91-797, eff. 6-9-00; 92-11, eff. 6-11-01; 92-16, eff.
22 6-28-01; 92-596, eff. 6-28-02; 92-597, eff. 6-28-02; revised
23 9-3-02.)

24 Section 99. Effective date. This Act takes effect upon
25 becoming law.