

# HB2309



## 97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB2309

Introduced 2/18/2011, by Rep. Tom Cross

### SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-43

Amends the State Finance Act. Makes a technical change in a Section concerning the Tobacco Settlement Recovery Fund.

LRB097 07898 PJG 48013 b

A BILL FOR

1 AN ACT concerning finance.

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 ~~the~~ State Treasury a special  
9 fund to be known as the Tobacco Settlement Recovery Fund, which  
10 shall contain 3 accounts: (i) the General Account, (ii) the  
11 Tobacco Settlement Bond Proceeds Account and (iii) the Tobacco  
12 Settlement Residual Account. There shall be deposited into the  
13 several accounts of the Tobacco Settlement Recovery Fund all  
14 monies paid to the State pursuant to (1) the Master Settlement  
15 Agreement entered in the case of People of the State of  
16 Illinois v. Philip Morris, et al. (Circuit Court of Cook  
17 County, No. 96-L13146) and (2) any settlement with or judgment  
18 against any tobacco product manufacturer other than one  
19 participating in the Master Settlement Agreement in  
20 satisfaction of any released claim as defined in the Master  
21 Settlement Agreement, as well as any other monies as provided  
22 by law. Moneys shall be deposited into the Tobacco Settlement  
23 Bond Proceeds Account and the Tobacco Settlement Residual

1 Account as provided by the terms of the Railsplitter Tobacco  
2 Settlement Authority Act, provided that an annual amount not  
3 less than \$2,500,000, subject to appropriation, shall be  
4 deposited into the Tobacco Settlement Residual Account for use  
5 by the Attorney General for enforcement of the Master  
6 Settlement Agreement. All other moneys available to be  
7 deposited into the Tobacco Settlement Recovery Fund shall be  
8 deposited into the General Account. An investment made from  
9 moneys credited to a specific account constitutes part of that  
10 account and such account shall be credited with all income from  
11 the investment of such moneys. The Treasurer may invest the  
12 moneys in the several accounts the Fund in the same manner, in  
13 the same types of investments, and subject to the same  
14 limitations provided in the Illinois Pension Code for the  
15 investment of pension funds other than those established under  
16 Article 3 or 4 of the Code. Notwithstanding the foregoing, to  
17 the extent necessary to preserve the tax-exempt status of any  
18 bonds issued pursuant to the Railsplitter Tobacco Settlement  
19 Authority Act, the interest on which is intended to be  
20 excludable from the gross income of the owners for federal  
21 income tax purposes, moneys on deposit in the Tobacco  
22 Settlement Bond Proceeds Account and the Tobacco Settlement  
23 Residual Account may be invested in obligations the interest  
24 upon which is tax-exempt under the provisions of Section 103 of  
25 the Internal Revenue Code of 1986, as now or hereafter amended,  
26 or any successor code or provision.

1           (b) Moneys on deposit in the Tobacco Settlement Bond  
2 Proceeds Account and the Tobacco Settlement Residual Account  
3 may be expended, subject to appropriation, for the purposes  
4 authorized in Section 6(g) of the Railsplitter Tobacco  
5 Settlement Authority Act.

6           (c) As soon as may be practical after June 30, 2001, upon  
7 notification from and at the direction of the Governor, the  
8 State Comptroller shall direct and the State Treasurer shall  
9 transfer the unencumbered balance in the Tobacco Settlement  
10 Recovery Fund as of June 30, 2001, as determined by the  
11 Governor, into the Budget Stabilization Fund. The Treasurer may  
12 invest the moneys in the Budget Stabilization Fund in the same  
13 manner, in the same types of investments, and subject to the  
14 same limitations provided in the Illinois Pension Code for the  
15 investment of pension funds other than those established under  
16 Article 3 or 4 of the Code.

17           (d) All federal financial participation moneys received  
18 pursuant to expenditures from the Fund shall be deposited into  
19 the General Account.

20           (Source: P.A. 95-331, eff. 8-21-07; 96-958, eff. 7-1-10.)