- 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,
- 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

investments shall be deposited into the Fund. Upon the

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
- other than those established under Article 3 or 4 of the
- 29 Code.

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- 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 any civil litigation under any legal theory in
- 11 which a judgment is entered against a signatory or a
- 12 <u>successor</u> to a signatory of the Master Settlement Agreement,
- 13 <u>as defined in Section 10 of the Tobacco Product</u>
- 14 Manufacturers' Escrow Act, the appeal bond that the signatory
- or successor may be required to post to stay execution on the
- 16 judgment during the time that an appeal or discretionary
- 17 <u>review of the judgment is pending shall be set in accordance</u>
- 18 with the law and the rules of the court, except that in no
- 19 case may the amount of the appeal bond exceed \$25,000,000,
- 20 <u>regardless of the total amount of the judgment.</u>
- 21 (d) If it is proved by a preponderance of the evidence
- 22 <u>that an appellant for whom an appeal bond has been limited</u>
- 23 <u>under subsection (c) is intentionally dissipating or</u>
- 24 <u>diverting assets outside the ordinary course of its business</u>
- 25 for the purpose of avoiding payment of the judgment, the
- 26 <u>court shall enter any orders that are necessary to prevent</u>
- 27 <u>the dissipation or diversion of assets.</u>
- 28 (e) The changes made by this amendatory Act of the 92nd
- 29 General Assembly apply to any action pending on or after the
- 30 <u>effective date of this amendatory Act of the 92nd General</u>
- 31 <u>Assembly.</u>
- 32 (Source: P.A. 91-646, eff. 11-19-99; 91-704, eff. 7-1-00;
- 33 91-797, eff. 6-9-00; 92-11, eff. 6-11-01; 92-16, eff.
- 34 6-28-01.)

- 1 Section 99. Effective date. This Act takes effect upon
- 2 becoming law.