

HB1242



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB1242

Introduced 2/17/2021, by Rep. Emanuel Chris Welch

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.

LRB102 03257 RJF 13270 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,
10 which shall contain 3 accounts: (i) the General Account, (ii)
11 the Tobacco Settlement Bond Proceeds Account and (iii) the
12 Tobacco Settlement Residual Account. There shall be deposited
13 into the several accounts of the Tobacco Settlement Recovery
14 Fund and the Attorney General Tobacco Fund all monies paid to
15 the State pursuant to (1) the Master Settlement Agreement
16 entered in the case of People of the State of Illinois v.
17 Philip Morris, et al. (Circuit Court of Cook County, No.
18 96-L13146) and (2) any settlement with or judgment against any
19 tobacco product manufacturer other than one participating in
20 the Master Settlement Agreement in satisfaction of any
21 released claim as defined in the Master Settlement Agreement,
22 as well as any other monies as provided by law. Moneys shall be
23 deposited into the Tobacco Settlement Bond Proceeds Account

1 and the Tobacco Settlement Residual Account as provided by the
2 terms of the Railsplitter Tobacco Settlement Authority Act,
3 provided that an annual amount not less than \$2,500,000,
4 subject to appropriation, shall be deposited into the Attorney
5 General Tobacco Fund for use only by the Attorney General's
6 office. The scheduled \$2,500,000 deposit into the Tobacco
7 Settlement Residual Account for fiscal year 2011 should be
8 transferred to the Attorney General Tobacco Fund in fiscal
9 year 2012 as soon as this fund has been established. All other
10 moneys available to be deposited into the Tobacco Settlement
11 Recovery Fund shall be deposited into the General Account. An
12 investment made from moneys credited to a specific account
13 constitutes part of that account and such account shall be
14 credited with all income from the investment of such moneys.
15 The Treasurer may invest the moneys in the several accounts
16 the Fund in the same manner, in the same types of investments,
17 and subject to the same limitations provided in the Illinois
18 Pension Code for the investment of pension funds other than
19 those established under Article 3 or 4 of the Code.
20 Notwithstanding the foregoing, to the extent necessary to
21 preserve the tax-exempt status of any bonds issued pursuant to
22 the Railsplitter Tobacco Settlement Authority Act, the
23 interest on which is intended to be excludable from the gross
24 income of the owners for federal income tax purposes, moneys
25 on deposit in the Tobacco Settlement Bond Proceeds Account and
26 the Tobacco Settlement Residual Account may be invested in

1 obligations the interest upon which is tax-exempt under the
2 provisions of Section 103 of the Internal Revenue Code of
3 1986, as now or hereafter amended, or any successor code or
4 provision.

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

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

21 (d) All federal financial participation moneys received
22 pursuant to expenditures from the Fund shall be deposited into
23 the General Account.

24 (Source: P.A. 99-78, eff. 7-20-15.)