

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 any civil litigation under any legal theory in
11 which a judgment is entered against a signatory or a
12 successor to a signatory of the Master Settlement Agreement,
13 as defined in Section 10 of the Tobacco Product
14 Manufacturers' Escrow Act, the appeal bond that the signatory
15 or successor may be required to post to stay execution on the
16 judgment during the time that an appeal or discretionary
17 review of the judgment is pending shall be set in accordance
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 regardless of the total amount of the judgment.

21 (d) If it is proved by a preponderance of the evidence
22 that an appellant for whom an appeal bond has been limited
23 under subsection (c) is intentionally dissipating or
24 diverting assets outside the ordinary course of its business
25 for the purpose of avoiding payment of the judgment, the
26 court shall enter any orders that are necessary to prevent
27 the dissipation or diversion of assets.

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 effective date of this amendatory Act of the 92nd General
31 Assembly.

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.