

## CHAPTER 173

(House Bill 751)

AN ACT concerning

**Cigarette Restitution Fund**

FOR the purpose of establishing a Cigarette Restitution Fund; providing for the distribution of certain revenues to the Fund; providing for expenditures from the Fund by appropriation; ~~requiring the Legislative Policy Committee to make certain determinations; requiring the Legislative Policy Committee to submit certain budget recommendations to the Governor;~~ prohibiting the Fund from being expended in violation of certain restrictions or limitations; requiring the Fund to be expended for certain purposes; requiring that priority be given to certain purposes; providing that disbursements from the Fund to certain programs be used in a certain manner; authorizing certain funds to be expended for any legal purpose; requiring the Governor to prepare a certain plan; requiring the Governor to submit a certain plan to the General Assembly by a certain date; requiring the Governor to include certain information in the annual State budget submission; requiring the Governor to report certain information; providing that this Act applies to certain funds estimated in a certain State budget; and generally relating to the Cigarette Restitution Fund.

BY adding to

Article - State Finance and Procurement

Section 7-317

Annotated Code of Maryland

(1995 Replacement Volume and 1998 Supplement)

## Preamble

WHEREAS, The State of Maryland has agreed to the settlement of litigation against tobacco manufacturers; and

WHEREAS, The basis of the tobacco settlement is injury to State finances caused by smoking-related illnesses of Maryland citizens; and

WHEREAS, The federal government may seek recoupment of a portion of the tobacco settlement revenues if those revenues are not used for certain purposes; and

WHEREAS, African American publications contain approximately 12% more cigarette advertising than other widespread publications and the density of tobacco billboard advertising is consistently highest in African American communities; and

WHEREAS, The General Assembly finds it is necessary to establish a process to account for and allocate the tobacco settlement funds in a manner that meets critical needs and retains State control of the funds; now, therefore,